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NOTE

| From: | Permanent Representatives Committee (Part 1) |
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| To: | Council |
| Subject: | Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on phasing out Russian natural gas imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938 |
| | - General approach |

I. INTRODUCTION

1. On 17 June 2025, the <u>Commission</u> submitted to the European Parliament and to the Council a proposal for a Regulation on phasing out Russian natural gas imports, improving monitoring of potential energy dependencies and amending the Security of gas supply Regulation. This proposal aims to decisively phase out the remaining pipeline gas and LNG imports from Russia, with a full prohibition in place by 1 January 2028. It is a key deliverable of the Commission Communication entitled 'Roadmap towards ending Russian energy imports' 1. This roadmap outlines a strategy to phase out the remaining energy imports from Russia in relation to gas, oil and nuclear. It was presented on 15 May 2025, as a follow up to the March 2022 Versailles Declaration, in which the leaders agreed to phase-out dependency on Russian fossil fuels as soon as possible.

¹ 8686/1/25 REV1

- 2. The objective of the proposal is to secure the EU's independence from Russian energy, as the remaining imports still pose serious risks to the Union's security of supply. The proposal highlights how Russia has systematically weaponised gas supply and exerted market manipulation through intentional disruptions of gas flows, and argues that it can therefore no longer be regarded as a reliable trading partner.
- 3. The main element of the proposal is a prohibition on gas imports from Russia covering both pipeline gas and LNG. A transition phase is foreseen for existing supply contracts. In order to facilitate the effort to diversify away from Russian imports, Member States are to submit national diversification plans for both Russian gas and oil imports. The proposal also includes targeted amendments to the Security of gas supply Regulation (on the monitoring of security of gas supply).
- 4. The Commission proposes to adopt the Regulation on a dual legal basis comprising Article 207 TFEU (trade policy) and Article 194(2) TFEU (energy policy).
- 5. In the <u>European Parliament</u>, Mr Ville NIINISTÖ (Greens/EFA, FI) has been appointed as rapporteur for the proposal on behalf of the ITRE Committee and Ms Inese VAIDERE (EPP, LV) as rapporteur for the proposal on behalf of the INTA Committee. The joint ITRE-INTA Committee vote is scheduled for 16 October and the announcement in plenary for 20 October.
- 6. The <u>European Economic and Social Committee</u> delivered its opinion on 17 September 2025. The <u>Committee of the Regions</u> was consulted.

II. STATE OF PLAY

7. The Working Party on Energy examined the proposal at its meetings on 18, 23 and 26 June, 1, 8, 15 and 24 July as well as 2, 9, 16 and 30 September 2025. Dedicated meetings were arranged to examine the customs and legal aspects of the proposal.

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- 8. Given the urgency of this file, the co-legislators aim to reach an agreement by the end of the year in order to allow for final adoption as soon as possible thereafter. Both the Presidency and delegations have worked intensively towards this goal. Despite the complexity of the file and its political sensitivity, significant work has been undertaken at the technical level, particularly to clarify complex issues related to customs procedures, addressing implementation concerns of delegations, and ensuring that the text is both robust and legally sound.
- On 23 September, the Commission presented the 19th sanctions package against Russia in the 9. Working Party of Foreign Relations Counsellors (RELEX). During this working group meeting and during the Coreper meeting on 26 September, the Commission noted that, while both proposals prohibit imports of LNG from Russia, the REPowerEU proposal and the 19th sanctions package have different legal bases and different objectives. While sanctions are coercive foreign policy measures and, by nature, temporary, the REPowerEU proposal pursues trade and energy policy goals and is meant to apply on a permanent basis. Therefore, the Commission considers that the proposals are complementary and can co-exist. On this basis the Presidency's intention is to progress as planned with the REPowerEU proposal.
- As a result, the Presidency prepared a compromise text², which was discussed by the 10. Permanent Representatives Committee on 8 October 2025. The discussions showed broad support for the Presidency compromise text. Only a few delegations raised concerns on specific points in the text.

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III. MAIN ELEMENTS OF THE PRESIDENCY COMPROMISE

- 11. Following the discussion in Coreper, the Presidency adjusted the text to address the remaining concerns. A summary of the new Presidency compromise proposals is provided below:
 - a) Assessment of the prior authorisation (Article 7(3)):

Under the review clause which requires the Commission to provide a report on the implementation of the Regulation, the Commission will assess the effectiveness of the prior authorisation required for imports of natural gas where the country of production is not Russia.

b) <u>Alternative supply sources</u> (Article 11(4)):

A provision mirroring recital 11a has been introduced in the operative part of the draft Regulation. It sets out that during the transition phase, the Commission is required to coordinate with Member States in their diversification efforts to identify alternative deliveries of natural gas.

c) <u>Price indexation</u> (recital 17):

It is now clarified that price variations resulting from price indexation already provided for in existing supply contracts do not constitute an amendment to existing contracts.

d) <u>Timing of the prior authorisation</u> (recital 20a):

A recital has been included to clarify that the deadline of 5 working days is indeed a deadline for the importers to provide information, and not for the authorising authorities to issue the prior authorisation. This means that authorising authorities may also issue the authorisation for non-Russian imports at a later stage, in particular in case of doubts concerning the information provided by the importers. It was also clarified that the prior authorisation is without prejudice to existing enforcement powers of customs authorities.

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e) Relations with Sanctions on LNG (Article 16):

A provision has been included that clarifies the relation of the REPowerEU draft Regulation with the proposed 19th package on sanctions against the Russian Federation.

12. The Presidency considers that the revised compromise text set out in the annex to this note reflects a good balance between the positions of the delegations and provides a solid basis for further negotiations with the European Parliament.

IV. CONCLUSION

- 13. The Council is invited to adopt a general approach on the basis of the text set out in the annex to this note.
- 14. This general approach will serve as the Council's mandate for negotiations with the European Parliament in the context of the ordinary legislative procedure.

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Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on phasing out Russian natural gas imports, improving the monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 194(2) and 207 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee³,

Having regard to the opinion of the Committee of the Regions⁴,

Acting in accordance with the ordinary legislative procedure,

Whereas:

³ OJ C, ...

- (1) The unlawful full-scale invasion of Ukraine by the Russian Federation in February 2022 revealed the dramatic consequences of the existing dependencies on Russian natural gas for markets and security. In their Versailles Declaration of 11 March 2022, Heads of State or Government therefore agreed to gradually decrease and eventually fully remove the dependency on Russian energy. The REPowerEU Communication of 8 March 2022 and the REPowerEU Plan of 18 May 2022 proposed concrete measures to allow for the full diversification away from Russian energy imports in a safe, affordable and sustainable manner. Significant progress in the process of diversifying gas supplies away from the Russian Federation has been achieved since then. As the remaining volumes of Russian natural gas entering the Union are still significant, in its REPowerEU Roadmap towards ending Russian energy imports of 6 May 2025 the Commission announced a legislative proposal to fully phase out Russian gas imports and to improve the existing framework for addressing energy dependencies.
- Multiple examples of unannounced and unjustified supply reductions and interruptions already before the full-scale military invasion of Ukraine, as well as the weaponisation of energy by the Russian Federation since then, demonstrate that the Russian Federation has systematically exploited existing dependencies on Russian gas supplies to harm the Union's economy. This has led to serious negative effects on Member States and the Union's economic security in general. The Russian Federation and its energy companies can therefore no longer be considered reliable energy trading partners by the Union.

(3) In January 2006, the Russian Federation stopped its natural gas supplies to some countries in South East and Central Europe in the middle of a cold spell, driving up prices and causing or threatening harm to citizens. On 6 January 2009, the Russian Federation again fully cut off gas transiting through Ukraine, affecting 18 Member States, in particular those in Central and Eastern Europe. This supply disruption led to serious disturbances of gas markets in the region and in the whole of the Union. Some Member States had zero natural gas flows for nearly 14 days, forcing lasting shutdowns of heating in schools and factories, and requiring them to declare the state of emergency. In 2014, the Russian Federation invaded and illegally annexed Crimea, seized Ukrainian gas production assets in Crimea and reduced gas supplies to several Member States which had announced that they would supply Ukraine with gas, which led to market disturbances and price increases and harmed economic security. In the past, the Russian Federation's State-controlled monopoly exporter Gazprom has been the subject of several Commission investigations for a possible breach of Union competition rules and has subsequently changed its conduct on the market in order to address the Commission's competition concerns. In several cases, the competition issues at stake concerned so-called 'territorial restrictions' in Gazprom's gas supply contracts, prohibiting the resale of gas outside the destination country, as well as evidence that Gazprom was engaged in unfair pricing practices and made energy supplies dependent on political concessions from participation in Russian pipeline projects or acquiring control over Union energy assets.

- **(4)** The Russian Federation's unprovoked and unjustified war against Ukraine since February 2022 and subsequent weaponised reductions of gas supplies in conjunction with the manipulation of the markets through intentional disruptions of gas flows have laid bare vulnerabilities and dependencies in the Union and its Member States, with the clear potential of a direct and serious impact on the functioning of the Union gas market, the Union's economy and its essential security interests, as well as of direct harm to Union citizens because energy supply disruptions can harm citizens' health or life. Evidence shows that the State-controlled company Gazprom intentionally manipulated the Union's energy markets in order to drive up energy prices. Large underground storages in the Union controlled by Gazprom were left at unprecedentedly low levels, and Russian companies reduced sales at Union gas hubs and fully discontinued the use of their own sales platform before the invasion, which affected short-term markets and aggravated the already tight supply situation after the Russian Federation's unlawful invasion of Ukraine. As of March 2022, the Russian Federation systematically halted or reduced deliveries of natural gas to Member States, leading to significant disturbances on the Union gas market. This affected in particular supplies to the Union via the Yamal pipeline, supplies to Finland as well as the Nord Stream 1 pipeline, where Gazprom first reduced flows and eventually shut down supplies via the pipeline entirely.
- (5) The Russian Federation's weaponisation of gas supply and market manipulation through intentional disruptions of gas flows led to skyrocketing energy prices in the Union, reaching unprecedented levels, up to eight times the average of previous years, in 2022. The resulting need to find alternative gas supply sources, to change supply routes, to fill storages for the winter, and to find solutions for congestion problems in the Union's gas infrastructure contributed to high price volatility and the unprecedented price hikes in 2022.

(6) The exceptionally high gas prices translated into high electricity prices and price increases for other energy products, leading to sustained high inflation. A deep economic crisis with negative growth rates in many Member States, caused by the high energy prices, endangered the economy of the Union, undermined consumer purchasing power and raised the cost of manufacturing, leading to risks to social cohesion and stability, and even to human life or health. The supply interruptions also led to very serious problems concerning the security of energy supply in the Union and forced 11 Member States to declare an energy crisis level under Regulation (EU) 2017/1938 of the European Parliament and of the Council⁵. Benefitting from the Union's dependency during that crisis, the Russian Federation's manipulations of the market allowed it to achieve record-high profits from the remaining energy trade with Europe, with revenues from gas imports still accounting for EUR 15bn in 2024. Those revenues could be used to finance further economic attacks against the Union, undermining economic security. They could also be used to finance the war of aggression against Ukraine which constitutes a major threat to political and economic stability in Europe.

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Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 (OJ L 280, 28.10.2017, p. 1).

(7) The recent crisis provided evidence that trustful trade relations with partners supplying energy products are crucial to preserving market stability and protecting human life and health as well as the essential security interests of the Union, including not least because the Union depends to a large extent on energy imports from third countries. Maintaining energy supplies from the Russian Federation would expose the Union to continued economic and security risks; it would therefore decrease, rather than increase, its security of energy supply. Even dependencies on smaller import volumes of Russian gas can, if abused by the Russian Federation, significantly distort the price dynamic, even if only temporarily, and disrupt energy markets, in particular in those regions which are still significantly reliant on imports from the Russian Federation. In view of the long standing and consistent pattern of market manipulations and supply disruptions, as well as of the fact that the government of the Russian Federation has consistently used gas trade as a weapon to achieve policy goals rather than trade goals, it is appropriate to take measures to address the continued vulnerability of the Union resulting from natural gas imports from the Russian Federation, both via pipelines and liquified natural gas (LNG).

- (8) The restrictions on international transactions provided for in Article 3 of this Regulation are consistent with the Union's external action in other areas, as required by Article 21(3) of the Treaty on European Union (TEU). The state of relations between the Union and the Russian Federation has greatly deteriorated in recent years and in particular since 2022. That deterioration of relations is due to the Russian Federation's blatant disregard for international law and, in particular, its unprovoked and unjustified war of aggression against Ukraine. Since July 2014, the Union has progressively imposed restrictive measures on trade with the Russian Federation in response to the Russian Federation's actions against Ukraine. The Union is allowed, by virtue of the exceptions that apply under the Agreement Establishing the World Trade Organization, and in particular Article XXI of the General Agreement on Tariffs and Trade 1994 (security exceptions) and analogous exceptions under the Agreement on Partnership and Cooperation with the Russian Federation, to not accord to goods imported from the Russian Federation the advantages granted to like products imported from other countries (most-favoured-nation treatment). Therefore, the Union is not prevented from imposing prohibitions or restrictions on the import of goods from the Russian Federation, if the Union considers such measures, taken at the time of the ongoing emergency in international relations between the Union and the Russian Federation, to be necessary for the protection of the Union's essential security interests.
- (9) Diversifying the LNG import is essential for strengthening and maintaining energy security within the Union. To avoid any risk that long-term reservations of LNG terminal capacity held by Russian companies could be used to obstruct imports from alternative sources through capacity hoarding practices, national regulators and competition authorities are to make full use of the robust legal instruments which are available under national and European energy and competition law where appropriate.

(10)The Commission has carefully assessed the impact on the Union and on its Member States of a possible prohibition of imports of Russian natural gas. In fact, preparatory work and several detailed analyses of the consequences of a total phase-out of Russian gas have been conducted and published since 2022, and the Commission could also draw upon a multitude of consultations with stakeholders, external experts and agencies, and studies on the effects of the phase-out of Russian gas. The Commission's analysis showed that a phase-out of Russian natural gas imports, if introduced in a stepwise, coordinated and wellprepared manner and in a spirit of solidarity, is likely to have limited impact on energy prices in the Union, and that it will enhance and not endanger the security of the Union's energy supply, due to the exit of an unreliable trading partner from the Union markets. As set out in the REPowerEU Roadmap, the implementation of the REPowerEU Plan has already reduced the Union's dependencies on supplies from the Russian Federation, for instance by introducing measures to reduce gas demand or to accelerate the deployment of renewable energy sources, as well as by actively supporting the diversification of energy supplies and the increase of the bargaining power of the Union via joint gas purchasing. The Assessment of Impact also showed that upfront coordination of diversification policies can avoid harmful effects on prices or supplies.

- (11)The proposed Regulation is fully compatible with the Union's strategy to reduce its reliance on fossil fuels imports by enhancing decarbonisation and rapidly expanding domestically produced clean energy. As set out in the REPowerEU Roadmap, the implementation of the REPowerEU Plan has already resulted in substantial gas savings of more than 60 billion cubic metres annually in gas imports between 2022 and 2024, allowing the Union to reduce dependencies on supplies from the Russian Federation. This reduction of dependencies could be achieved by measures to reduce gas demand or to accelerate the green transition by an accelerated deployment of wind and solar generation capacity, which would significantly increase the share of renewables in the energy mix, as well as by active support to diversification of energy supplies and the increase of the bargaining power of the Union via joint gas purchasing. Moreover, the full implementation of the energy transition, the recent Action Plan for Affordable Energy and other measures, in particular investments in the production of low-carbon alternatives for energy intensive products, such as fertilisers, are expected to replace up to 100 billion cubic metres of natural gas by 2030. This will facilitate the phase-out of gas imports from the Russian Federation.
- While preparing the diversification plans, the Commission should, in a coordinated manner and in spirit of solidarity, work with Member States, in particular in Central and South-Eastern Europe, to identify alternative deliveries of natural gas. In addition to improving the security of supply, new supplies could also compensate for lost revenues through utilising the existing infrastructure that has been previously used for transporting Russian gas.
- In line with the Versailles Declaration and the REPowerEU Communication, a large number of gas importers have already terminated or significantly reduced their gas supplies from the Russian Federation. As set out in the Assessment of Impacts, the remaining gas volumes under existing supply contracts can be phased out without significant economic impact or risks for the security of supply, due to the availability of sufficient alternative suppliers on the gas world market, a well-interconnected Union gas market and the availability of sufficient import infrastructure.

- (12a) In some cases, LNG cargoes carry LNG produced in different countries and mixed together. The prohibition should also apply to the amounts of gas in such cargoes that are produced in Russia. Where importers can unambiguously document the respective shares of LNG produced outside Russia, it should be possible to import the non-Russian LNG amounts contained in an LNG cargo.
- (13) Short-term supply contracts concern smaller volumes than the large long-term supply contracts importers hold with Russian companies. Those existing short-term supply contracts will in any event be close to expiration by the time this Regulation enters into force. Accordingly, the risk to economic security resulting from existing short-term supply contracts appears to be low. It is therefore appropriate to exempt existing short-term supply contracts from the immediate application of the import prohibition allowing for a transition phase until 17 June 2026.
- (14) An exemption from the prohibition on gas imports as of 1 January 2026 should also be granted for existing long-term supply contracts. Importers holding long-term supply contracts will usually need more time to find alternative supply routes and sources than short-term contract holders, also because long-term supply contracts usually concern significantly larger volumes over time than short-term supply contracts. A transition time should therefore be introduced to give holders of long-term supply contracts sufficient time to diversify their supplies in an orderly manner.

- Some landlocked countries which are currently still supplied under existing long-term supply contracts for Russian pipeline gas are specifically affected by recent changes of supply routes from the Russian Federation, due to limited or no alternative routes for the transport of the contracted gas to them. To remedy the situation, suppliers from other Member States currently ensure the delivery of pipeline gas under short-term supply contracts with suppliers from the Russian Federation via uncongested interconnection points. Due to this very specific situation, the transition time necessary to find new suppliers should also apply to those short-term supply contracts with suppliers from the Russian Federation which serve to supply landlocked countries affected by changes of supply routes for Russian gas.
- (16)While it appears justified to exempt existing "legacy" contracts from the immediate application of the prohibition on imports of Russian gas, not all contracts concluded before the entry into force of this Regulation should benefit from such an exemption. Indeed, there may be an incentive for Russian suppliers to use the time between the publication of the Commission proposal of this Regulation and the entry into force of the prohibition to increase current supplies, by concluding new contracts, increasing volumes by changing existing contracts or using flexibilities under existing contracts. In order to ensure that imports from the Russian Federation decrease, rather than increase, as a result of this Regulation, this Regulation should avoid incentives for companies to conclude new Russian gas import contracts in the time between the publication of the Commission proposal of this Regulation and the entry into force of the prohibition. Indeed, the commitment from Heads of State or Government to phase out Russian gas supplies was already made in March 2022; the Commission built on this commitment by proposing the REPowerEU Strategy, the REPowerEU Plan and the REPowerEU Roadmap. At the latest with the publication of the proposal for this Regulation, it was no longer appropriate to consider contracts concluded after that date as "legacy" contracts. Contracts concluded after 17 June 2025 should therefore not benefit from the exceptional transition provisions for existing short-term and long-term supply contracts.

- In order to avoid import volumes provided for in existing supply contracts from being increased, amendments to existing supply contracts should be considered new contracts for the purposes of this Regulation, and increases of import volumes by using contractual flexibilities should not benefit from the transition period. Exceptions should be provided for certain cases of necessary amendments to existing contracts, provided they do not increase contracted quantities or the timing of delivery. Price variations resulting from price indexation already provided for in existing supply contracts do not constitute an amendment to existing supply contracts.
- (18) This Regulation creates a clear legal prohibition on importing Russian natural gas, constituting a sovereign act of the Union beyond the control of gas importers and rendering the performance of natural gas imports from the Russian Federation unlawful, with direct legal effect and without any discretion for Member States concerning its application.
- (19)Unlike other goods, natural gas is a homogeneous commodity which is traded in large volumes and often resold multiple times between traders at wholesale level. Taking into account the particular complexity of tracing the origin of natural gas, and bearing in mind that Russian suppliers might seek to circumvent this Regulation, for example by sales via intermediaries, via transshipments or via transport through other countries, this Regulation should provide for an effective framework to avoid circumvention of the prohibition. Relevant authorities should therefore be enabled to take the necessary actions to identify whether natural gas supplies from the Russian Federation are brought into the Union customs territory through schemes created for circumventing the rules of this Regulation. When determining whether natural gas is released for free circulation in the Union, customs authorities should not only depend on information provided in the customs declaration, but be allowed, on the basis of other available information, to assess, where they deem relevant, whether a good brought into the Union is actually meant to be released into free circulation. The Regulation should also require the establishment of the country of production and the supply chain of natural gas imported into the Union.

- In particular, importers of natural gas should be obliged to provide authorities with all information necessary to establish the country of production of natural gas imported into the Union and to determine whether the imported gas is subject to the general prohibition or one of its exceptions. The concept of 'origin' under Union customs law may not always allow for the identification of the country of production of the imported gas, for example when the gas was processed (e.g. liquified or regasified) after leaving the Russian Federation. The Regulation should therefore also cover cases where the country of 'origin' under Union custom law differs from the country of production of the gas and provide for a mechanism to verify whether the natural gas was extracted or liquified in the Russian Federation. Any gas which, before its import into the EU, was exported from the Russian Federation, either via direct export from Russia to the EU or via indirect export through a third country, should, except in case of transit, be subject to the prohibition.
- Due to the specific characteristics of pipeline gas and LNG, and in order to allow for a (20a)smooth verification process of the country of production and the conditions for possible exemptions before the gas enters the Union customs territory, a prior authorisation process should be introduced. Imports should be refused in the absence of an authorisation. Authorising authorities should be informed in advance about intended imports into the Union, and the information should be submitted to them which is necessary to verify the country of production or whether the conditions for an exemption under this Regulation are met. While authorising authorities should strive to issue an authorisation within the period between submission of information by the importer and the planned entry into the customs territory in order to facilitate imports of gas to the EU, they may also decide at a later stage, in particular, in case there are doubts concerning the information provided. The prior authorisation is without prejudice to existing enforcement powers of customs authorities. Imports of natural gas from gas producing countries should be exempted from that obligation if the Union has imported significant volumes from these countries in the past and if these countries either have shown that they do not want to support the Russian gas sector by a prohibition of the import of Russian gas, restrictive measures targeting Russian gas infrastructure, Russian gas companies or persons managing such companies, or if these countries do not dispose of the necessary infrastructure to import natural gas via pipelines or LNG. The Commission should establish the list of such countries.

- Authorising authorities and, where they are not identical, customs authorities should be able to request all information necessary to assess the legality of imports. They should also be able to rely on information from other sources. As the contractual conditions determining the elements relevant for the assessment are often complex, the authorities should be empowered to ask importers for detailed contract information, including entire supply contracts, excluding price information, where that is necessary to understand the context of certain clauses or references to other contractual provisions. This Regulation should include rules to ensure an effective protection of business secrets of concerned undertakings.
- (21)Some of the Russian gas transmission infrastructure is directly connected to the Union, and some transit pipelines connecting Russia with the Union are running through third countries without currently having any exit points between the Russian Federation and the Union. The Regulation should therefore presume that natural gas imported into the Union via borders, interconnectors, or interconnection points between the Russian Federation and the Union, Belarus and the Union or arriving via TurkStream at the interconnection point Strandzha 2 / Malkoclar originates in or is exported, directly or indirectly, from the Russian Federation, thus replacing the requirement to submit proof of the country of production. In case it is claimed that natural gas arriving at these borders, interconnectors, or interconnection points is under a 'transit' procedure through the Russian Federation, strict controls should apply. The Russian Federation is a major gas exporter and has not played any noticeable role as a gas transit country in the past, due to several factors, such as the lack of regasification infrastructure, the organisation of gas trade in the Russian Federation via a pipeline export monopoly, business models of Russian gas companies which are not based on organising transits, and the Russian Federation's geographical location. Therefore, and taking into account incentives of Russian suppliers to circumvent the import prohibition, customs authorities should refuse the import of volumes of natural gas allegedly in transit unless unequivocal evidence can be provided which proves that the gas has been in transit through the Russian Federation and that it was produced in a country other than the Russian Federation. The submitted documents should allow for the traceability of the imported gas up to the place of production.

- (21a) Furthermore, significant volumes of natural gas may also enter the Union under a 'transit' procedure. As the strict monitoring rules for gas imports such as the prior authorisation do not apply to gas crossing the Union under a 'transit' procedure, it is appropriate to provide for specific safeguards in the form of a transit monitoring regime, which enables customs to effectively monitor gas flows under a 'transit' procedure, to ensure that natural gas which crosses the Union under a 'transit' procedure is not ultimately entering into free circulation in the Union.
- In line with the principle of sincere cooperation, authorising authorities, customs (22)authorities, regulatory authorities, competent authorities, the Agency for the Cooperation of Energy Regulators (ACER) and the Commission should cooperate to implement the provisions of this Regulation and exchange relevant information, in particular regarding the assessment of exemptions allowing imports of Russian natural gas after 1 January 2026. Customs authorities, regulatory authorities, competent authorities and ACER should have the necessary tools and databases in place to ensure, where necessary, that relevant information can be exchanged between national authorities and authorities in different Member States. ACER should contribute its expertise to the process of monitoring the implementation. To facilitate the creation of the necessary interoperable joint information systems, the Commission and Member States may explore possibilities to make use of the budget available under the Internal Security Fund (ISF). Customs authorities should update regulatory authorities, the competent authorities and the Commission on a monthly basis on the key elements concerning the development of imports of Russian gas, such as quantities imported under long-term or short-term supply contracts, entry points, or contract partners.

- (23)The experience with the phase-out of Russian gas supplies via Ukraine has shown that good preparation and coordination in a spirit of solidarity can effectively avoid market disruptions or security of supply problems potentially resulting from changing gas suppliers. To prepare for the full phase-out of Russian gas in 2028 in a coordinated manner, and to give the market sufficient time to anticipate the changes involved without risk to the security of gas supply or a significant impact on energy prices, Member States should prepare national diversification plans and present them by 1 March 2026. Those plans should be subject to the rules of professional secrecy and not be disclosed without the agreement of the respective Member State. They should describe intended measures at national or regional level to reduce demand, foster renewable energy production and ensure alternative supplies, as well as possible technical, contractual or regulatory barriers which may complicate the diversification process. As the diversification process may require coordination of measures at national, regional or Union level, the Commission should assess the national diversification plans, with the possibility to issue recommendations suggesting adaptations where necessary.
- In their Versailles Declaration, the Heads of State or Government committed not only to phase out natural gas supplies from the Russian Federation, but also other energy supplies, in particular oil supplies. While restrictive measures to ensure the phase-out of oil imports from the Russian Federation are already in place and oil imports have decreased significantly, a further phase-out of Russian oil may require specific preparatory steps and coordination with neighbours. Member States should therefore also prepare national diversification plans for oil, with a possibility for the Commission to provide recommendations on those plans. Those plans should be subject to the rules of professional secrecy and not be disclosed without the agreement of the respective Member State.

- (25) The experience during the gas crisis of 2022 and 2023 showed that comprehensive information on the supply situation and possible supply dependencies is crucial for monitoring gas supply in the Union. Therefore, importers of Russian gas making use of the exemptions set out in this Regulation should submit to the Commission all information necessary to effectively evaluate possible risks for gas trade. That information should include key parameters, or even text parts in full, of the relevant gas supply contracts, excluding price information, where that is necessary to understand the context of certain clauses or references to other provisions in the contract. When monitoring gas supply in the Union, the Commission should also take into account information on imports provided by customs authorities and information included in national diversification plans. The Commission should regularly inform the Gas Coordination Group established by Regulation (EU) 2017/1938 about the phase-out process at the Union level and submit an annual report on the Russian gas phase-out, which may be accompanied by specific Union recommendations and actions to accelerate the phase-out process.
- (26) Member States and the Union should cooperate closely on the implementation of this Regulation, including in relation to possible dispute settlement procedures. Where applicable, Regulation (EU) 1219/2012⁶ and Regulation (EU) 912/2014⁷ set out further details on cooperation and allocation of financial responsibilities between the Member States and the Union concerning possible investor-to-state dispute settlement resolution cases related to this Regulation.

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Regulation (EU) No 1219/2012 of the European Parliament and of the Council of 12 December 2012 establishing transitional arrangements for bilateral investment agreements between Member States and third countries (OJ L 351, 20.12.2012, p. 40).

Regulation (EU) No 912/2014 of the European Parliament and of the Council of 23 July 2014 establishing a framework for managing financial responsibility linked to investor-to-state dispute settlement tribunals established by international agreements to which the European Union is party (OJ L 257, 28.8.2014, p. 121).

- (26a) In view of the recent practice of the Russian Federation to unilaterally change and impede agreed court and arbitration procedures, neither affected persons, nor the Union and Member States can be held liable for any judgments, arbitral awards, or other judicial decisions adopted under illegal procedures against which no remedies are effectively accessible under the relevant jurisdiction.
- The Union has created a robust legal framework to ensure the security of gas supply at all (27)times, and to deal with possible supply crises in a coordinated manner, including obligations for Member States to provide for effective and operational solidarity to neighbours in need of gas. The Commission should constantly monitor the development of market risks for gas supply resulting from gas trade with the Russian Federation at Union, regional and Member State level. In case of sudden and significant developments, such as the unavailability of key import infrastructures or other types of significant disruptions of supply, which seriously threaten the security of supply of one or more Member States, it is appropriate to empower the Commission to take the necessary emergency measures by suspending the import prohibitions concerning natural gas or LNG imports set out in this Regulation in one or more Member States. The Commission should, in such a situation, also be able to suspend the obligation to submit proof of the country of production prior to the entry into the Union's customs territory, in order to facilitate additional imports on short notice. Such a suspension should be limited in time and the Commission implementing decision should impose certain additional conditions, to ensure that any such suspension is strictly limited to addressing the threat. The Commission should inform the Gas Coordination Group, and should closely monitor the application of any such temporary suspension.
- The measures introduced with this Regulation fully reflect the principle of energy solidarity. Indeed, the level of exposure to Russian gas imports differs between Member States, and many Member States have already taken measures to phase out Russian gas. This Regulation will ensure an EU-wide harmonised approach to the phase-out of Russian gas, preserving solidarity between Member States.

- (29) Since the objectives of this Regulation relating to the monitoring of possible gas dependencies cannot be sufficiently achieved by the Member States in a coordinated manner and without risk of market fragmentation, but can be better and more efficiently achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.
- (30)In view of the importance for the Union to phase out further economic dependence of the Union on gas imports from the Russian Federation without any delay, this Regulation should enter into force on the day following that of its publication in the *Official Journal of* the European Union. Market participants had significant time to adapt their supply portfolio after the Versailles Declaration of March 2022 and the adoption of the proposal for this Regulation on 17 June 2025. Nevertheless, it appears appropriate to provide for a transition period to allow gas suppliers which have not yet adapted their supply strategies to make the necessary arrangements to comply with this Regulation. The prohibition to import gas from the Russian Federation should therefore only apply as of [OJ please insert the date 6 weeks after entry into force of this Regulation]. In order to allow importers with existing supply contracts and importers concluding new contracts to carry out the necessary prior authorisation in a timely manner and without disruptions for planned gas imports, the different authorisation processes provided for in this Regulation should already apply before the prohibition of imports of gas from the Russian Federation becomes applicable.

HAVE ADOPTED THIS REGULATION:

CHAPTER I

GENERAL PROVISIONS

Article 1

Subject matter

This Regulation provides a framework for effectively removing the Union's exposure to the significant risks for trade and security of supply, resulting from gas trade with the Russian Federation by laying down:

- (a) a stepwise prohibition of imports of natural gas from the Russian Federation;
- (b) rules to effectively implement and monitor that prohibition as well as the phase-out of oil imports from the Russian Federation;
- (c) provisions to better assess the security of energy supplies in the Union.

Definitions

For the purpose of this Regulation, the following definitions shall apply:

- (1) 'natural gas' means gas as referred to in Combined Nomenclature (CN) codes 2711 11 00 and 2711 21 00;
- (2) 'LNG' means liquefied natural gas as referred to in CN code 2711 11 00;
- (3) 'natural gas in gaseous state' means natural gas as referred to in CN code 2711 21 00;
- (3a) 'mixtures' means mixtures of LNG volumes from different countries of origin;
- (4) 'long-term supply contract' means a contract for the supply of natural gas, excluding a natural gas derivative, exceeding one year;
- (5) 'short-term supply contract' means a contract for the supply of natural gas, excluding a natural gas derivative, not exceeding one year;
- (5a) 'country of production' means the country where the natural gas is extracted. Where natural gas extracted in other countries than the Russian Federation is liquified or regasified in the Russian Federation, the Russian Federation shall be considered the country of production;
- (6) 'landlocked country' means a country that is entirely surrounded by land and has no direct access to the sea;

- (6b) 'import' means the placing of goods under release for free circulation, as referred to in Article 201 of Regulation (EU) No 952/2013 of the European Parliament and of the Council;
- (7) 'importer' means the natural or legal person that is the declarant in the relevant customs declaration as defined in Article 5, point (15), of Regulation (EU) No 952/2013 of the European Parliament and of the Council, or otherwise a natural or legal person, including affiliated undertakings, that brings the goods into the Union customs territory;
- (7a) 'affiliated undertaking' means an undertaking as defined in Article 2, point (12), of Directive 2013/34/EU of the European Parliament and of the Council⁸;
- (8) 'customs authority' means a customs authority as defined in Article 5, point (1), of Regulation (EU) No 952/2013 of the European Parliament and of the Council⁹;
- (8a) 'authorising authority' means the authority which is competent to examine the authorisation requests made pursuant to Article 7(1) and (2);
- (9) 'competent authority' means a competent authority as defined in Article 2, point (7), of Regulation (EU) 2017/1938 of the European Parliament and of the Council¹⁰;
- (10) 'regulatory authority' means a regulatory authority designated pursuant to Article 76(1) of Directive (EU) 2024/1788;

Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19).

Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).

Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 (OJ L 280, 28.10.2017, p. 1).

- (11) 'control' means control as defined in Article 2, point (55), of Directive (EU) 2024/1788;
- (12) [...]
- (13) 'interconnection point' means an interconnection point as defined in Article 2, point (63), of Directive (EU) 2024/1788;
- (13a) 'interconnector' means an interconnector as defined in Article 2, point (39), of Directive (EU) 2024/1788;
- (14) 'entry point' means an entry point as defined in Article 2, point (61), of Directive (EU) 2024/1788;
- (14a) 'delivery point' means the physical or virtual location specified in a gas supply contract at which natural gas is to be delivered by a seller and received by a buyer;
- (15) [...]
- (16) 'contracted quantities' means the quantities of natural gas that a buyer is obligated to purchase and a seller is obligated to provide, as specified in the original supply contract, but excluding volumes arising from contractual provisions providing for quantity changes to baseline quantities, such as round-up quantities, fractional quantities, upward quantities or other volumetric modifications under the terms of the contract except for paid make-up quantities paid before 17 June 2025;
- (16a) 'round-up quantities' means volumes of natural gas added to the annual contracted quantity in a given year to provide for the last cargo to be rounded-up to a whole cargo;

- (16b) 'fractional quantities' means volumes of natural gas carried forward to following contract years if the quantity delivered during a year is more or less than the adjusted annual contracted quantity after adjustments; these volumes can be both positive and negative;
- (16c) 'upward quantities' means volumes of natural gas to be added optionally to the annual contracted quantity based on supply contracts at the discretion of a contract party;
- (17) 'paid make-up quantities' mean the volumes of natural gas which a buyer is entitled or obligated to take delivery of and pay for in subsequent periods, in compliance with minimum take-or-pay requirements and in order to compensate for any shortfall in the quantities contracted but not taken in prior periods, as provided for in a long-term supply contract;
- (18) 'delivery schedule' means the timetable or plan agreed between the parties to a gas supply contract, specifying the quantities of gas to be delivered by a seller and received by a buyer over defined time intervals, including the timing, location, and conditions of delivery, as set out in a supply contract or any related operational procedures;
- (19) 'nomination' means a nomination as defined in Article 2, point (8), of Regulation (EU) 2024/1789 of the European Parliament and of the Council¹¹;
- (20) 'oil' means crude oil, natural gas condensates, refinery feedstocks, additives and oxygenates, and other hydrocarbons and oil products falling under CN codes 2709 and 2710.

Regulation (EU) 2024/1789 of the European Parliament and of the Council of 13 June 2024 on the internal markets for renewable gas, natural gas and hydrogen, amending Regulations (EU) No 1227/2011, (EU) 2017/1938, (EU) 2019/942 and (EU) 2022/869 and Decision (EU) 2017/684 and repealing Regulation (EC) No 715/2009 (OJ L, 2024/1789, 15.7.2024).

CHAPTER II

STEPWISE PROHIBITION OF NATURAL GAS IMPORTS FROM THE RUSSIAN FEDERATION

Article 3

Prohibition of natural gas imports from the Russian Federation

- 1. The import of natural gas in gaseous state via pipelines, which originates in or is exported, directly or indirectly, from the Russian Federation, shall be prohibited unless one of the exemptions provided for in Article 4 applies.
- 2. The import of LNG, which originates in or is exported, directly or indirectly, from the Russian Federation, or which is obtained from natural gas in gaseous state extracted in the Russian Federation, shall be prohibited, unless one of the exemptions provided for in Article 4 applies. This prohibition shall also apply to LNG which originates in or is exported, directly or indirectly, from the Russian Federation contained in mixtures.

Transition phase for existing supply contracts

- 1. Article 3 shall apply as of 17 June 2026, where it can be demonstrated to the authorising authorities that imports of natural gas referred to in Article 3 are executed under a short-term supply contract, concluded before 17 June 2025 and not amended thereafter, unless the amendment is covered by paragraph 4.
- 2. Article 3 shall apply as of 1 January 2028, where it can be demonstrated to the authorising authorities:
 - (a) that imports of natural gas referred to in Article 3 are executed under a short-term supply contract with delivery to a landlocked country which is necessary to fulfil the long-term supply contract under point (b), and,
 - (b) that a long-term supply contract with delivery to a landlocked country for the import of natural gas in gaseous state via pipelines exists:
 - (i) which originates in or is exported, directly or indirectly, from the Russian Federation,
 - (ii) for which the delivery at the original delivery point at an EU border with a third country can no longer be executed, and
 - (iii) which was concluded before 17 June 2025 and not amended thereafter, unless the amendment is covered by paragraph 4.

- 3. Article 3 shall apply as of 1 January 2028, where it can be demonstrated to the authorising authorities that imports of natural gas referred to in Article 3 are executed under a long-term supply contract concluded before 17 June 2025, and not amended thereafter, unless the amendment is covered by paragraph 4.
- 4. The exemptions provided for in paragraphs 1 to 3 shall also apply with regard to existing supply contracts with the following amendments:
 - (a) lowering contracted quantities;
 - (b) lowering prices and fees;
 - (c) amending confidentiality clauses;
 - (ca) amending operational procedures, such as communication procedures;
 - (d) changes of addresses of contract parties;
 - (e) transfers of contractual obligations between affiliated undertakings;
 - (f) changes required by judicial or arbitration procedures; or
 - (g) for landlocked countries, changes between national delivery points.
- 5. The quantities of imports made in accordance with paragraphs 1, 2 and 3 shall not exceed the contracted quantities.

Article 5

[...]

Article 6

[...]

AUTHORISATION, SUBMISSION AND EXCHANGE OF RELEVANT INFORMATION

Article 7

Authorisation and submission of relevant information by importers

1. Where an exemption is requested for imports of natural gas which originates in or is exported, directly or indirectly, from the Russian Federation pursuant to Article 4, imports shall be subject to prior authorisation. Authorising authorities shall be provided with all information necessary to assess whether the conditions set out in Article 4 are met.

That information shall include at least the following:

- (a) the date of the conclusion of the gas supply contract;
- (b) the duration of the gas supply contract;
- (c) the contracted quantities, including all upward or downward flexibility rights;
- (d) the identity of the parties to the gas supply contract, including, for parties registered in the EU, the Economic Operator Registration and Identification (EORI) number;
- (e) [...]
- (ea) in the case of LNG mixtures, documentation proving the respective quantities of Russian and non-Russian gas in the mixture and establishing the mixing process;
- (f) for LNG imports, the place of liquefaction and the port of first loading;

- (g) the delivery points, including possible flexibilities concerning the delivery point; and
- (h) any amendment of the gas supply contract, indicating the content and the date of the amendment, with the exception of amendments which relate solely to the gas price.
 - Where an exemption under Article 4 is requested and the price of the gas was amended on 17 June 2025 or later, information on the price amendment shall be provided.
 - The required information shall be submitted to the authorising authority no later than one month before the entry into the customs territory.
- 2. Imports of natural gas where the country of production is not the Russian Federation shall be subject to prior authorisation, except in case those imports fall under paragraph 3. The authorising authorities in the Member State where the gas is to be released for free circulation shall be provided with evidence establishing the country of production of that natural gas, no later than 5 working days before its entry into the customs territory.
- 3. No prior authorisation is required where gas is imported from a country which produces gas and has exported more than 5 bcm of natural gas to the Union in 2024 and has either prohibited the import of Russian gas or is applying other restrictive measures concerning Russian gas, or has no gas infrastructure in place which allows to import LNG or pipeline gas. No later than 5 days after entry into force of this Regulation, the Commission shall, by means of an implementing decision, draw up the list of such countries and update it as necessary. The report pursuant to Article 15(1) shall include an assessment of the effectiveness of the prior authorisation process pursuant to Article 7(2).

- 3a. Authorising authorities, customs authorities, where they are not identical or other authorities involved in the monitoring referred to in Article 9 and 10 may request more detailed information, if that information is deemed necessary to assess whether the conditions set out in Articles 3 and 4 are fulfilled. They may also rely on information from other sources. Authorising authorities may, in particular, require submitting the text of certain provisions of the gas supply contract in full or the entire text of the gas supply contract, except price information, in particular where certain contractual provisions are interrelated, or where the full knowledge of the formulation of the contractual provisions is crucial for that assessment. Where the information provided is not conclusive, the customs authorities may refuse the release for free circulation of the goods.
- 4. Natural gas to be imported into the Union through borders or via interconnectors or interconnection points between the Union and the Russian Federation or Belarus, or via the interconnection point Strandzha 2 / Malkoclar (TurkStream) shall be presumed to be exported, directly or indirectly, from the Russian Federation, unless unambiguous evidence can be provided to the authorising authorities no later than 1 month before the entry into the customs territory establishing that the natural gas:
 - (a) has been in transit through the Russian Federation; and
 - (b) that the country of production is not the Russian Federation.
- 5. Where natural gas is transported through the EU from third country to third country under a transit procedure under the Union Customs Code, the authorising and customs authorities, where they are not identical, shall be informed no later than one month before the planned transit about:
- (a) the country of production of the natural gas to be transiting, unless such information is not available;
- (b) the planned or actual nomination schedules specifying volume, timing, and entry and exit points of the gas in transit, with daily granularity where applicable;

- (c) volumes and delivery points in the gas supply contracts; and
- (d) the contract between the seller or buyer or any intermediary entity and the relevant Transmission System Operators in the Union, where applicable.

Authorising authorities shall verify the consistency of the data and share the information received with customs authorities, where they are not identical, without delay.

Article 8

[...]

Article 9

Effective monitoring and enforcement

Authorising authorities and, where relevant, customs authorities and the Agency for the Cooperation of Energy Regulators (ACER), shall ensure effective monitoring of the provisions in Chapter II, if necessary by making full use of their enforcement powers, and cooperate closely with relevant national authorities, authorities from other Member States, ACER or the Commission.

Article 10

Authorising authority, cooperation and exchange of information

1. The authorising authority is the customs authority, unless the Member State designates another authority for that purpose. Member States shall inform the Commission in the case that they designate another authority than the customs authority as authority.

- 2. Authorising authorities shall cooperate and exchange the information received on imports of natural gas with regulatory authorities, competent authorities and, where applicable, customs authorities, as well as ACER and the Commission in line with their tasks, responsibilities and competences and to the extent possible to ensure effective assessment of whether the conditions set out in Articles 3 and 4 of this Regulation are fulfilled.
- 3. Authorising authorities or, where applicable, customs authorities, shall update regulatory authorities, competent authorities, ACER and the Commission, on a monthly basis, on the key elements concerning the development of imports of natural gas which originates in or is exported, directly or indirectly, from the Russian Federation, such as quantities imported under long-term or short-term supply contracts, entry points, or contract partners. These updates shall also cover key developments concerning Russian gas entering the Union under a transit procedure as referred to in Article 7(5).
- 4. Authorising authorities and, where applicable, customs authorities, from different Member States, shall exchange, to the extent necessary, information received on natural gas imports and cooperate with one another in order to ensure efficient enforcement and avoid circumvention. They shall make use of existing tools and databases allowing for the effective exchange of relevant information between national authorities in their Member State and authorities in other Member States, or put such tools in place where necessary.
- 5. By 31 August 2026 and 31 August 2027, ACER shall, based on the data received under this Regulation and on own information, publish a report providing an overview of contracts for the supply of natural gas, which originates in or is exported, directly or indirectly, from the Russian Federation, and assessing the impact of diversification on energy markets. Where relevant, the report shall also cover data on Russian gas entering the Union under a transit procedure as referred to in Article 7(5).
- 6. The Commission and ACER shall, where appropriate, exchange relevant information in their possession on contracts for the import of natural gas, which originates in or is exported, directly or indirectly, from the Russian Federation with authorising authorities and, where applicable, customs authorities to facilitate the enforcement of this Regulation.

CHAPTER IV

NATIONAL DIVERSIFICATION PLANS

Article 11

National diversification plans for natural gas

Each Member State shall establish a diversification plan describing measures, milestones and
potential barriers to diversifying their gas supplies, in order to discontinue all imports of
natural gas, which originates in or is exported, directly or indirectly, from the Russian
Federation, within the deadline for the full prohibition of imports from the Russian Federation
on 1 January 2028.

The obligation referred to in the first subparagraph shall not apply where Member States can demonstrate to the Commission, in particular on the basis of information provided pursuant to Article 14(6) of Regulation (EU) 2017/1938, that they do not receive natural gas, which originates in or is exported, directly or indirectly, from the Russian Federation. Member States shall demonstrate this to the Commission by the date of notification to the Commission of the national diversification plans. The Commission shall inform the Gas Coordination Group of the Member States that are exempted from establishing a national diversification plan.

- 2. The national diversification plan for natural gas shall include all of the following:
- (a) available information on the volume of imports of natural gas which originates in or is exported, directly or indirectly, from the Russian Federation under existing supply contracts;

- (b) a clear description of supporting measures in place and supporting measures planned at national level to replace natural gas, which originates in or is exported, directly or indirectly, from the Russian Federation, including the quantities expected to be phased out, milestones and a timeline for implementation and, where available, envisaged options for alternative supplies and supply routes. Such measures may include the use of the Aggregate EU Platform pursuant to Article 42 of Regulation (EU) 2024/1789, support measures for diversification efforts of energy companies, cooperation in regional groups such as the CESEC High-Level Group, the identification of alternatives to natural gas imports via electrification, energy efficiency measures, boosting the production of biogas, biomethane and clean hydrogen, renewable energy deployment, voluntary demand reduction measures or possibilities of other Member States to facilitate diversification of supply;
- (c) the identification of any potential technical, contractual or regulatory barriers to replacing natural gas, which originates in or is exported, directly or indirectly, from the Russian Federation, and options to overcome those barriers.
- 3. By 1 March 2026, Member States shall notify the Commission of their national diversification plans using the template set out in Annex I.
- 4. The Commission shall, where appropriate, facilitate the preparation and implementation of the national diversification plans for natural gas. During the transition phase for existing supply contracts pursuant to Article 4, the Commission shall coordinate with Member States in their diversification efforts to identify alternative supply sources. New supplies could also compensate for lost revenues by using existing infrastructure previously utilised to transit Russian gas. Member States shall report regularly to the Gas Coordination Group established by Article 4 of Regulation (EU) 2017/1938 on the progress achieved with the preparation, adoption and implementation of those plans. On the basis of the national diversification plans, the Commission shall assess the implementation of the phase-out of gas, which originates in or is exported, directly or indirectly, from the Russian Federation and report it to the Gas Coordination Group, as per Article 13 of this Regulation.

National diversification plans for oil

- A Member States that receives imports of oil originating in or exported, directly or indirectly, from the Russian Federation, shall establish a diversification plan describing measures, milestones and potential barriers to diversifying their oil supplies, in order to discontinue, by 1 January 2028, imports of oil, which originates in or is exported, directly or indirectly, from the Russian Federation.
- 2. A national diversification plan for oil shall include all of the following:
- (a) available information on the volume of direct or indirect imports of oil imports from the Russian Federation under existing supply contracts;
- (b) measures planned at national level to replace oil, which originates in or is exported, directly or indirectly, from the Russian Federation, including the quantities expected to be phased out, milestones and a timeline for implementation, and options for alternative supplies and supply routes or possibilities of other Member States to facilitate diversification of supply;
- (c) potential technical, contractual or regulatory barriers to replaceing oil, which originates in or is exported, directly or indirectly, from the Russian Federation, and options to overcome those barriers.
- 3. By 1 March 2026, Member States shall notify the Commission of their national diversification plans using the template set out in Annex II.

- 4. The Commission shall, where appropriate, facilitate the preparation and implementation of the national diversification plans for oil. The Commission shall assist in the cooperation between Member States when they implement the national diversification plans. Member States shall report regularly to the Oil Coordination Group established by Article 17 of Council Directive 2009/119/EC¹² on the progress achieved on the preparation, adoption and implementation of those national diversification plans.
- Where the national diversification plan for oil identifies a risk that the phasing out of oil, 5. which originates in or is exported, directly or indirectly, from the Russian Federation, by 1 January 2028 might not be achieved, the Commission may, after assessing the national diversification plan and within 3 months of the submission of the national diversification plan, issue a recommendation to the Member State concerned on how to achieve the phaseout in a timely manner. Following that recommendation, the Member State shall update its diversification plan within three months, taking into consideration the Commission's recommendation.

12

9.10.2009, p. 9).

Council Directive 2009/119/EC of 14 September 2009 imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products (OJ L 265,

CHAPTER V

MONITORING THE SECURITY OF GAS SUPPLY

Article 13

Amendments to Regulation (EU) 2017/1938

Regulation (EU) 2017/1938 is amended as follows:

- (1) in Article 2, the following points (33) and (34) are added:
- '(33) 'take-or-pay provision' means a contractual provision which obliges the buyer to either take delivery of, or alternatively pay for a specified minimum quantity of gas within a given period, regardless of whether the gas is actually received;
- (34) 'deliver-or-pay provisions' means a contractual provision which obliges the seller to pay a contractual fine in the case of non-delivery of gas.';
- (2) Article 14(6) is amended as follows:
- (a) in the first subparagraph, the following point (c) is added:
- '(c) to the Commission and to the competent authorities concerned the following information relating to supply contracts for natural gas, which originates in or is exported, directly or indirectly, from the Russian Federation:

- (i) the information referred to in Article 7(1) of Regulation (EU) XX/2025 [this Regulation];
- (ii) information on the quantities to be supplied and taken, including possible flexibilities under *take-or-pay* provisions or deliver-or-pay provisions;
- (iii) delivery schedules (LNG) or nominations (pipeline gas);
- (iv) possible contractual flexibilities concerning the annual contracted quantities, including make-up quantities;
- (v) conditions for the suspension or termination of gas deliveries, including force majeure provisions;
- (vi) information on which law governs the contract and which arbitration mechanism is chosen;
- (vii) key elements of other commercial agreements that are relevant for the execution of the gas supply contract, excluding price information.';
- (b) the following subparagraph is added:

'The information referred to in point (c) shall be provided for each contract in a disaggregated format, including the relevant text parts in full, excluding price information, in particular where the full knowledge of the formulation of the contractual provisions is crucial for the assessment of the security of gas supply or where certain contractual provisions are interrelated.

(3) in Article 17, the second paragraph is replaced by the following:

'The Commission shall continuously monitor the exposure of the Union's energy system to supplies of gas, which originates in or is exported, directly or indirectly, from the Russian Federation in particular on the basis of information notified to the Commission and the competent authorities in accordance with Article 14(6), point (c).

The Commission shall assess the implementation of the phase-out of gas, which originates in or is exported, directly or indirectly, from the Russian Federation under Regulation (EU) XX/2025 at national, regional and Union level on the basis of the national diversification plans referred to in Article 11 of that Regulation. That assessment shall also include an evaluation of the effectiveness of the exchange of information and cooperation among the relevant authorities, and, where appropriate, shall set out recommendations for their improvement. This assessment shall be reported to the Gas Coordination Group.

On the basis of the assessment referred to in the third paragraph, the Commission shall publish an annual report, which shall provide a comprehensive overview of the progress achieved by Member States in implementing their national diversification plans.

Where relevant, the Commission may issue, within three months of notification of a diversification plan, a recommendation which identifies possible actions and measures to ensure a secure diversification of gas supply and a timely phase-out of gas, which originates in or is exported, directly or indirectly, from the Russian Federation.

The Member States concerned shall update their national diversification plan within three months, taking into consideration the Commission's recommendation.

CHAPTER VI

FINAL PROVISIONS

Article 14

Professional secrecy

- Any confidential information received, exchanged, or transmitted in accordance with this Regulation shall be subject to the conditions of professional secrecy laid down in this Article.
- 2. The obligation of professional secrecy shall apply to all persons who work or who have worked for authorities involved in the implementation of this Regulation and to any natural or legal person to whom the relevant authorities have delegated their powers, including auditors and experts contracted by the relevant authorities.
- 3. Information covered by professional secrecy shall not be disclosed to any other person or authority except by virtue of provisions laid down by Union or national law.
- 4. All information exchanged between the relevant authorities or Member States under this Regulation that concerns business conditions or operational conditions or other economic or personal affairs shall be considered confidential and shall be subject to the requirements of professional secrecy, except where the relevant authority states at the time of the communication that such information may be disclosed, is required by virtue of Union or national law or where such disclosure is necessary for legal proceedings.

Article 15

Monitoring and review

- 1. The Commission shall continuously monitor the development of the Union's energy market, in particular with respect to potential gas supply dependencies or other risks to the security of energy supply in relation to energy imports from the Russian Federation. By [OJ: please insert date two years after entry into force of this Regulation], the Commission shall submit a report on the implementation of this Regulation to the European Parliament and the Council.
- 2. In the case of sudden and significant developments, seriously threatening the security of energy supply of one or more Member States, the Commission may temporarily suspend the application of Chapter II of this Regulation in one or more Member States, in whole or in part. The Commission may, in such a situation, also suspend the requirement of prior authorisation pursuant to Article 7(2). The Commission's decision shall contain certain conditions, in particular to ensure that any suspension is strictly limited to addressing the threat. The Commission shall inform the Gas Coordination Group about any suspensions.

Article 16

Entry into force and application

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

Articles 3 and 4 shall apply from [OJ: please insert the date - 6 weeks after the entry into force of this Regulation].

Article 7 paragraphs 1, 4 and 5 shall apply from [OJ: please insert the date - 6 weeks minus one month after the entry into force of this Regulation].

Article 7 paragraph 2 shall apply from [OJ: please insert the date - 6 weeks minus 5 working days after the entry into force of this Regulation].

This Regulation is without prejudice to the application of the prohibition related to LNG established in [Council Regulation (EU) No 833/2014]¹³ which shall apply and be complied with regardless of the provisions of this Regulation.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at ...,

For the European Parliament

For the Council

The President

The President

OJ: please insert updated reference

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ANNEX I

TEMPLATE FOR NATIONAL DIVERSIFICATION PLANS FOR NATURAL GAS

This template is designed for national authorities drafting a national diversification plan as provided for in Article 11. It shall include the following:

| C 1 | • | C | . • |
|---------|-----|------|--------|
| General | 111 | torm | nation |
| | | | |

| Name of the authority responsible for the preparation of the plan | |
|--|--|
| Description of the gas system. It should include a description of: | |
| (i) the gas demand; | |
| (ii) the supply mix considering the dependence on Russian supply. | |

Main information about the import of gas which originates in or is exported directly or indirectly from the Russian Federation to the Member State

Description of the measures to replace natural gas which originates in or is exported directly or indirectly from the Russian Federation.

3.1. The description shall include the following elements:

| Diversification options: | |
|---|--|
| (i) alternative supplies;(ii) alternative supply routes;(iii) demand aggregation. | |
| Description of the measure and its objectives, including quantities expected to be phased out and intermediate steps in case of a multi-stage measure. | |
| Implementation timeline | |
| Impact of the measures to the energy system, including on flow patterns, infrastructure capacities, tariffs, etc. | |
| Impact on neighbouring Member States. | |

Technical, contractual or regulatory barriers to replace gas which originates in or is exported directly or indirectly from the Russian Federation.

| Technical, contractual or regulatory barriers | |
|---|--|
| Options to overcome barriers and timeline | |

| Category | Replacement of volumes for the phase-out ¹⁴ |
|----------------------|---|
| Information required | Description of measures in place and planned at national level to replace the remaining volumes of natural gas originated in or exported directly or indirectly from the Russian Federation (i) quantities expected to be phased out by each measure, (ii) implementation timeline (start-end), (iii) options for alternative supplies and supply routes |
| Pipeline gas | |
| LNG | |

imports via electrification, energy efficiency measures, boosting the production of biogas, biomethane and clean hydrogen, renewable energy deployment or voluntary demand reduction measures.

reduction measures

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Such measures may include the use of the Aggregate EU Platform pursuant to Article 42 of Regulation (EU) 2024/1789, support measures for diversification efforts of energy companies, cooperation in regional groups such as the Central and South-Eastern Europe Energy Connectivity (CESEC) High-Level Group, identifying alternatives to natural gas

ANNEX II

TEMPLATE FOR NATIONAL DIVERSIFICATION PLANS FOR OIL

This template is designed for national authorities drafting a detailed national diversification plan as provided for in Article 12. It shall include:

General information

| Name of the authority responsible for the preparation of the plan | |
|--|--|
| Description of the oil system. It should include a description of: | |
| (i) the oil demand; | |
| (ii) the supply mix considering the dependence on Russian supply. | |

Main information about the import of oil which originates in or is exported directly or indirectly from the Russian Federation to the Member State

| Overall contracted quantities of Russian oil for delivery in the Member State. Include expiry date of contractual obligations. | |
|---|--|
| Information about the identity of the different stakeholders (seller, importer, and buyer). | |

Description of the measures to replace oil which originates in or is exported directly or indirectly from the Russian Federation.

The description shall include the following elements:

| Diversification options: | |
|--|--|
| (i) alternative supplies; | |
| (ii) alternative supply routes. | |
| Description of the measure and its objectives, including quantities expected to be phased out and intermediate steps in case of a multi-stage measure. | |
| Implementation timeline | |
| Impact of measures to the energy system, including on flow patterns, infrastructure capacities, tariffs, etc. | |
| Impact on neighbouring Member States. | |

Technical, contractual or regulatory barriers to replace oil which originates in or is exported directly or indirectly from the Russian Federation.

| Technical, contractual or regulatory barriers | |
|---|--|
| Options to overcome barrier and timeline | |