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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Draft Council conclusions on Advancing Sustainable Electricity Grid Infrastructure

In view of the Energy Working Party on 22 April 2024, delegations will find in the annex a draft proposal for the abovementioned Council conclusions.

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

THE COUNCIL OF THE EUROPEAN UNION,

RECALLING:

- The European Green Deal and its ambition for the EU to be climate neutral by 2050 as endorsed by the European Council conclusions of December 2019¹;
- 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 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 Trans-European Networks for Energy (TEN-Es), 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 financial assistance through the Connecting Europe Facility for Energy;
- 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 objectives³;

¹ 20191212-European Council Conclusions

² 20220311-versailles-declaration-fr.pdf (europa.eu)

³ 20231128-EU Action Plans for Grids

- The Ten-Year Network Development plan (TYNDP) 2024 and the recently published Offshore Network Development Plans (ONDPs);
- The Commission Communication of April 2024 on “The clean transition dialogues – stocktaking / A strong European industry for a sustainable Europe”⁴;
- The Energy Infrastructure Forum that takes place every year in Copenhagen and supports delivery of the Union’s infrastructure policy objectives whilst monitoring progress on implementing the EU Grid Action Plan;
- 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;
- The Commission’s Communication of February 2024 on the 2040 climate target and path to climate neutrality by 2050⁵ 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.

⁴20240410-Communication ‘The clean transition dialogues – stocktaking / A strong European industry for a sustainable Europe’

⁵ 20240206-European Commission Communication ‘Securing our future’

I. Towards a coordinated and integrated European electricity network

1. **ACKNOWLEDGES** the crucial role of the integrated European electricity network in ensuring the smooth functioning of the internal market and the achievement of the EU energy and climate goals;
2. **HIGHLIGHTS** that a fully integrated and synchronised European power system can only be achieved if the EU's electricity grid infrastructure is used as effectively as possible for exchanges of energy, including through 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 European power system, with a view to further enhancing security of supply, the resilience of the electricity system, as well as competitiveness and decarbonisation; **CALLS** on the Commission, in this regard, to implement the 14 actions of the EU Grid Action Plan in close cooperation with all relevant actors;
4. **UNDERLINES** the need for a long-term, coordinated, enhanced top-down and integrated electricity grid infrastructure plan, that goes beyond the current 10-year horizon 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. **UNDERLINES** the need to identify anticipatory grid investments to be able to avoid bottlenecks in future connection requests for production and flexibility facilities as well as demand;
6. **HIGHLIGHTS** the importance of ensuring integrated planning across all energy carriers in view of future energy needs, taking into account the need to phase out fossil fuels, on the path to achieving net zero greenhouse gas emissions well before 2050, and ramp up infrastructure for renewable energy carriers;

7. **HIGHLIGHTS** the importance of an integrated approach between all actors in the value chain in order to optimise spatial utilisation; **ENCOURAGES** making use of various related initiatives such as the Greater North Sea Basin Initiative (GNSBI), the Helsinki Commission (HELCOM) and Oslo-Paris (OSPAR) Commission;
8. **HIGHLIGHTS** the value of combining a top-down, pan-European approach with the bottom-up of coordinating national plans at regional level;
9. **UNDERLINES** that public financing for grids, including from the EU level, should be adequate and geared to long-term planning, in line with the objective to achieve net zero emissions by 2050;
10. **REITERATES** the need for a swift and rigorous enforcement of EU rules, so as to boost confidence in the free flow of energy across borders, which is a key benefit underlying investment in grids;
11. **ENCOURAGES** the Commission to take further initiatives to strengthen and expand distribution grid planning so as to integrate decentralised renewable energy in a more coordinated way⁶;
12. **CALLS ON** the Commission, in that regard:
 - (a) To develop a framework that provides a regulatory and investment environment which meets the requirements on the path towards climate neutrality, whilst facilitating anticipatory investments;
 - (b) To take further measures to address network congestion within the EU;

⁶ GAP action: EU DSO Entity to support DSO grid planning by mapping the existence and characteristics of distribution development plans (mid-2024)

- (c) To further strengthen the regional approach to electricity infrastructure planning, including with non-EU neighbouring countries, with a long-term perspective and coordination through the four high-level groups⁷. Regional approaches to reaching our climate targets and climate neutrality objectives should also be reflected in the final updated national energy and climate plans;
- (d) To increase transparency, traceability and appropriate independent oversight for the whole grid planning and development process through strengthening the current governance structure by providing for a pan-European grid needs assessment and planning that complies with climate law and meets the decarbonisation objectives;
- (e) To ensure that aforementioned independent oversight leads to the development of a forecasting tool for grid needs on the path to climate neutrality by 2050;
13. **CALLS ON** the Commission and Member States to improve consistency between the TYNDP and the national and regional grid development plans (NDPs), as well as consistency and complementarity with the national energy and climate plans;
14. **CALLS ON** the Commission and ACER to identify gaps and develop measures to improve the transparency of the regulatory and governance framework concerning cross-border asset planning and project selection and realisation;
15. **CALLS ON** ENTSO-E to make use of the lessons learned in their reporting on the TYNDP and to consider a longer deadline when drafting the new TYNDP;

⁷ BEMIP, CESEC, NSEC, SWE

16. **CALLS ON** the Member States:

- (a) To ensure that nature-inclusive design plans are in place, so as to reconcile grid and generation, storage and demand expansion with environmental protection;
- (b) To adopt 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 procedures;
- (c) To encourage and support TSOs and DSOs in developing new grid projects wherever they are needed and with reinforcing, maintaining, digitalising and modernising existing grids as well as procuring and using flexibility services;
- (d) To remain committed to integrated cross-border energy trade and interdependence, thus enabling transit flows across Member States.

II. Regarding energy security and the resilience of energy infrastructure

- 17. **WELCOMES** the successful completion of the stress test of critical infrastructure in the energy sector, based on common principles as per the Council Recommendation on a Union-wide coordinated approach to strengthen the resilience of critical infrastructure of December 2022⁸;
- 18. **EMPHASISES** that the energy system in Europe has faced new threats since 2022, against which it needs to be protected. This has led to a new understanding of the security and resilience of the European energy system;
- 19. **ACKNOWLEDGES** the importance of a robust and independent European energy system, which contributes to Europe's autonomy and sovereignty;

⁸ 2022/1208-Council recommendation on a Union-wide coordinated approach to strengthen the resilience of critical infrastructure

20. **EMPHASISES** the need for coherent implementation of EU legislation addressing security issues;
21. **CALLS ON** the Commission to conduct a legislative review to further reinforce the EU's security of supply architecture over the longer term, whilst taking into account recent developments and lessons learned from the energy crisis;
22. **CALLS ON** Member States to strengthen cooperation between civil and military authorities and infrastructure entities, at the national, regional, European and international levels, in order to protect and strengthen the resilience of infrastructure, including at offshore and subsea level;
23. **CALLS ON** the Commission to support Member States with applying the security by-design principle when developing energy infrastructure;
24. **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;

III. Bridging the gap in electricity grid infrastructure investment

25. **ACKNOWLEDGES** the unprecedented investment needs in electricity networks in order to achieve the EU's sustainability, competitiveness and security of supply objectives;
26. **CALLS ON** the Commission to develop a tool to guide Member States and TSOs in making best use of existing EU funds for transmission and distribution grids, while simplifying application rules for CEF funding;

27. **INVITES** the Commission to reflect the actual investment needs in relation to grids in the funds earmarked for them and to look for ways to increase financing for electricity grid infrastructure bearing in mind the specific needs in terms of cross-border infrastructure investments;
28. **CALLS ON** the European Investment Bank to further strengthen financing and de-risking initiatives and tools to support additional electricity grid expansion and modernisation;
29. **CALLS FOR** the creation of an “Offshore Investment Facility” at sea basin level, through cooperation between the Commission, Member States and non-EU neighbouring countries, which could support grid and hybrid offshore cooperation projects with proportionate support for each sea basin;
30. **LOOKS FORWARD TO** the results of the Commission’s guidance on collaborative investment frameworks for offshore grid projects, including hybrid projects;
31. **CALLS ON** the Commission to ensure that non-economic elements, such as security of supply and the reduction of greenhouse gas and environmental impacts are better included in the guideline for Cost Benefit Analysis of Grid Development Projects, and for the definition of a methodology to share costs and benefits regionally;
32. **STRESSES** that the impact of additional investments in electricity grid infrastructure on final consumers should be taken into account in order to ensure a just transition.

IV. Regarding the scale and speed of the development of our electricity infrastructure

33. **IS CONCERNED** about the prolonged lead time associated with current infrastructure projects and **STRONGLY ENCOURAGES** concerted efforts to expedite this process;
34. **HIGHLIGHTS** 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;
35. **HIGHLIGHTS**, for the medium term, the need for more standardisation to speed up production processes, minimise supply chain disturbances and increase their efficiency;
36. **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;
37. **CALLS ON** ENTSO-E and the EU DSO Entity to enhance collaboration with technology providers to develop common technology specifications, improve visibility of required and planned new grid projects, and to disseminate best practices at EU level on permit granting procedures;
38. **CALLS ON** ENTSO-E and EU DSO Entity to assess the added value of functional tender designs and to issue guidelines to its members based on this assessment;
39. **EMPHASISES** the importance of generating local benefits in order to increase public acceptance of electricity grids i.e. 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 public participation in grid development projects;

40. **CALLS FOR** the speeding up of procedures in the permit-granting process, the streamlining of tendering and procurement processes, the enhancement of administrative capacity and the digitalisation of the relevant processes;
41. **ENCOURAGES** the European Standardisation Organisations to develop standardisation guidelines on alternative assessments or methodologies in order to accelerate and facilitate permitting procedures;
42. **ENCOURAGES** public administrations to make relevant environmental assessment data public.
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