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# LIMITE

**ENER 127 CYBER 130 RELEX 579** PROCIV 52 **HYBRID 47** TELECOM 142 **COMPET 366 ENV 337 CLIMA 148** 

# **NOTE**

From:	General Secretariat of the Council
To:	Delegations
Subject:	Draft Council Conclusions on strengthening the Energy Union through reinforcing energy security

In view of the Energy Working Party on 22 May 2025, delegations will find in the annex REV2 of the draft proposal for the abovementioned Council conclusions.

New text is **bold underline** and deletions are strikethrough.

Deletions that appeared in doc. 8525/2025 (REV 1) are marked in strikethrough italies.

New text that appeared in doc. 8525/2025 (REV 1) is marked in **bold**.

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**LIMITE** TREE.2.B

#### Draft

# Council Conclusions on strengthening the Energy Union through reinforcing energy security

#### RECALLING:

- that the primary aim of the Energy Union<sup>1</sup> is **to further develop the European single market**, to provide safe, **secure**, clean and affordable energy for <u>all the EU citizens</u> and
  <u>industries businesses</u>, while Europe's reliance on *imported* fossil fuels causes energy
  price volatility, and high supply costs, and makes the EU vulnerable to external pressure
  and global market *uncertainty* instability;
- that since Russia's war of aggression against the Ukraine the EU *has embarked on an* accelerated its ambitious project of decreasing its dependency on fossil fuels and significant milestones have already been achieved, owing *to* in particular to:
  - the Commission Communication of March 2022<sup>2</sup> proposing the outline for the REPowerEU Plan for more affordable, secure and sustainable energy;
  - the Versailles Declaration of March 2022<sup>3</sup> highlighting energy security and the need to phase out the EU's dependency on Russian fossil fuels as soon as possible;
  - the Commission Communication on REPowerEU of May 2022<sup>4</sup> on reducing dependency from Russian energy fossil fuels, diversification of energy sources, speeding up the clean energy transition and achieving a more resilient and interconnected energy system and a true genuine Energy Union, which was followed by a series of important emergency legislative instruments adopted by the Council, as well as the legislation under the "Fit for 55" package;

<sup>&</sup>lt;sup>1</sup> COM (2015) 080 final

<sup>&</sup>lt;sup>2</sup> COM (2022) 108 final

<sup>&</sup>lt;sup>3</sup> Text available on: https://www.consilium.europa.eu/en/press/press-releases/2022/03/11/the-versailles-declaration-10-11032022/

<sup>&</sup>lt;sup>4</sup> COM(2022) 230 final

- the European Council conclusions of April 2024<sup>5</sup> and of March 2025<sup>6</sup> underlining the importance of <u>better protecting EU citizens and businesses</u> <u>from high energy costs</u>, agreed energy targets and of achieving a genuine Energy Union before 2030, by securing the supply of abundant, affordable and clean energy, that serves the dual objective of pursuing European energy sovereignty and climate neutrality, requiring ambitious electrification and <u>investment in grids</u>, storage, interconnections, while ensuring the Union's <u>competitiveness on a global level</u> and calling on the EU institutions, the Member States and other relevant stakeholders to work together to deliver on those goals;
- the "European Climate Risk Assessment" report by the European

  Environment Agency of March 2024 and the Commission Communication
  of March 2024 on "Managing climate risks protecting people and
  prosperity";
- the Commission Communication "Towards an ambitious Industrial

  Carbon Management for the EU" of February 2024<sup>7</sup>;
- the Council Conclusions on Advancing Sustainable Electricity Grids
  Infrastructure of May 2024<sup>8</sup>, setting out which measures to achieve an
  emphasise the need interconnected and resilient electricity network in

  Europe, to ensure energy security, achieve decarbonisation in the EU, and
  emphasise the need to be protected protect the EU against new threats and a
  the need for a coordinated set of energy security measures;
- the Council Recommendation on the Blueprint to coordinate a response at EU level to disruptions of critical infrastructure of June 20249;

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<sup>&</sup>lt;sup>5</sup> EUCO 12/24

<sup>&</sup>lt;sup>6</sup> EUCO 1/25

<sup>&</sup>lt;sup>7</sup> COM (2024) 62 final

<sup>8</sup> ST 10459/24

<sup>&</sup>lt;sup>9</sup> (C/2024/4371)

- the Commission Communication of February 2025 on the Action Plan for
  Affordable Energy which presents measures to lower energy bills, to accelerate
  the implementation of cost-saving structural reforms, to complete the Energy
  Union and to strengthen the EU energy systems to mitigate future price
  shocks;
- the Commission Communication of February 2025 on the Action Plan for Cable Security which aims to <u>further</u> increase the security and resilience of the EU's infrastructure, including both electronic communications and electricity;
- the Council Recommendation on a Blueprint to coordinate a response at EU level to disruptions of critical infrastructure, adopted in June 2024<sup>7</sup>
- the Commission Communication on European Internal Security Strategy of April 2025 aimed at strengthening the EU capabilities to respond in particular to hybrid threats such as sabotage and malicious cyber activity against critical energy infrastructure;
- the Commission Communication of 6 May 2025 on the Roadmap towards ending Russian energy imports<sup>10</sup>;
- the present Council conclusions do not prejudge the Commission's power of initiative under the Treaties and, in particular, do not pre-empt any future MFF discussions.

# STRESSING:

the importance of staying on track towards the EU's climate neutrality objectives, as accelerating the deployment of renewable clean energy and improving energy efficiency will not only drive down energy costs but also reduce the EU's dependency on fossil fuels and its exposure to their inherent price volatility;

<sup>10</sup> COM/2025/440

- the need to create while creating a level playing field for investments in clean energy technologies, including energy storage and flexibility, and strengthening their domestic production capacities in a way that allow greenhouse gas emissions to be decreased in Europe and beyond in a technologically neutral and cost-effective way, as well as to protect the environment, combat pollution, conserve and restore nature and biodiversity and put emphasis on research, innovation and competitiveness of new technologies;
- the need for swift implementation of the existing legislation as a foundation for a genuine Energy Union that delivers competitiveness, **affordability**, security and sustainability <u>for all and enables increased cooperation between Member States</u>;
- the importance of preventing significant and persistent disparities in energy prices between regions of the Union, which undermine the proper functioning of the internal market and may hamper the competitiveness of Member States;
- the need for further diversification of energy supplies and development of indigenous domestic energy resources in line with the EU energy and climate policy objectives to reduce the EU's vulnerability to external political and economic pressure and global prices shocks and high dependencies in value chains, and to strengthen the EU's global position in crucial global value chains, by securing better access to critical raw materials and secure components and to investing strengthen in domestic clean technology manufacturing capacities that contribute to climate neutrality by 2050;
- the importance of flexible development of hydrogen for decarbonising hard to abate sectors, while preserving the competitiveness of EU businesses, incentivising the EU production and its market uptake and avoiding creation of new import dependencies;
- that the EU can take advantage of its full economic and political potential in an unstable global environment only when it stays united and speaks with one voice in relation to third countries while remaining committed to multilateralism in the global political dialogue;
- the <u>central role importance</u> of demand reduction, <u>where possible</u>, and energy efficiency measures as demonstrated during the energy crisis;

- that the strength of the EU's internal energy market is the cornerstone which allows the EU and its Member States to pursue an ambitious transformation of their energy sectors with a view to providing secure, sustainable, clean and affordable energy for their consumers, while taking into account national circumstances, in particular of landlocked and energy isolated Member States, as well as energy islands and outermost regions, and the right of Member States' to determine their energy mix;
- that Europe needs to reduce its strategic dependencies on <u>unreliable</u> a limited number of third country suppliers in sensitive sectors, including critical raw materials and secure components, while safeguarding its competitiveness and ensuring security of supply;
- that recent actions aimed at events damaging or preventing the construction of critical EU energy infrastructure, including Projects of Common and Mutual Interest

  (PCIs/PMIs) on land and at sea, highlight the need for require stronger coordination between Member States, the EU and NATO and at regional and EU level and in synergy with NATO and with reliable third countries where relevant, in monitoring and physically securing vital electricity and gas interconnections infrastructure between the Member States and with reliable third countries.

#### TAKES STOCK OF THE PROGRESS ACHIEVED:

- under the 2022 REPowerEU Plan in decreasing the EU's reliance on imports of *fuels* energy fossil fuels, from the Russian Federation in particular, and in lowering the
   consumption of fossil fuels in Europe, while accelerating the deployment of clean
   energy sources and maintaining stable supplies of energy for EU customers;
- in strengthening the EU's legal framework on energy savings, energy efficiency and facilitation of deployment of renewable energy sources in line with the objectives of the REPowerEU Plan, through the adoption of specific legislation during the energy crisis of 2022-2024;
- in swiftly deploying <u>and upgrading</u> infrastructure aimed to boost the capacity to provide flexible imports of energy from outside the EU and limit bottlenecks in intra-EU flows of energy;

- in successfully finalising key long-term infrastructure projects across the EU aimed at strengthening the energy security and resilience of the EU Member States, while NOTING that important interconnection gaps remain in the EU which hinders in particular the achievement of the EU 15% electricity interconnection target work on important missing infrastructure links is still needed in some regions;
- on the extension and revision of the gas storage regulation with a view to maintaining security of gas supplies in winter while preventing speculations and manipulations on the gas market and allowing Member States to store gas in a more flexible way<sup>11</sup>.

#### WELCOMES:

- the presentation of the Commission Communication on the Action Plan for Affordable Energy, which sets out, in particular, structural measures to deliver a genuine Energy Union for competitiveness, affordability, security and sustainability, while STRESSING NOTING the option for Member States the need to design and implement, as soon as possible, short-term measures, including, where appropriate, by Member States, to limit the burden of high energy costs, including grid tariffs, on households and industry businesses and be prepared for potential energy crises, while maintaining effective market price signals and ensuring stability of financial and energy markets;
- the progress made in creating the towards a genuine Energy Union and the further integration of the internal energy market while NOTING that some elements of the EU energy architecture and legislation require fine tuning, in particular when it comes to exploring the full potential of all innovative and technologically neutral solutions aimed at decarbonising the EU's electricity and gas energy sectors and its industriesy;
- the Commission initiative to launch an Energy Union Task Force consisting of highlevel representatives of the Member States, institutions and relevant bodies to further strengthen coordination and governance of the Energy Union;

<sup>&</sup>lt;sup>11</sup> The wording of this subparagraph may be adjusted based on the results of interinstitutional negotiations on the gas storage regulation

- the planned establishment of a tripartite contract for affordable energy for Europe's industry aimed at creating a favourable investment climate in the energy sector and at increasing the competitiveness of European industry;
- the launch, through the Omnibus workstream, of the simplification exercise across important EU legislation which has is expected to have a profound impact on lowering the administrative regulatory burden for companies in the energy sector operations of energy companies and energy intensive industries while maintaining alignment with the original policy objectives.

# **TAKES NOTE of:**

- the adoption of the Commission Communication of May 2025 on the Roadmap towards ending Russian energy imports, which sets out proposes the EU-wide action plan for an effective, gradual and coordinated phase out of Russian energy imports from the EU market.;
- the launch, through the Omnibus workstream, of the simplification exercise across important EU legislation which has is expected to have a profound impact on lowering the regulatory burden for companies in the energy sector operations of energy companies and energy intensive industries while maintaining alignment with the original policy objectives.
- the work done so far in the Council on the extension and revision of the gas storage regulation with a view to maintaining security of gas supplies in winter while preventing speculations and manipulations on the gas market and allowing Member States to store gas in a more flexible way<sup>8</sup>

#### HIGHLIGHTS:

- that Member States have demonstrated their continued commitment to the objectives of the Energy Union, notably through the significant enhancement of their final National Energy and Climate Plans. Further efforts are still necessary to fulfil the five dimensions of the Energy Union and to ensure the full implementation of the 2030 framework;

- that Russia's war of aggression against Ukraine has resulted in large scale destruction of the Ukrainian energy system. Continued support from the EU and the Member States is required to stabilise energy supplies to Ukraine, **strengthen** *increase* resilience and **improve** nuclear safety **and security. Coordinated international effort is needed to support**—reconstruction, *and*—decentralisatione and decarbonisation of Ukrainian energy systems, in particular through in kind and financial support, and through structural assistance in transforming the Ukrainian energy sector and legal system by means of accelerated regulatory alignment with the EU with a view to achieving closer energy integration and taking into account Ukraine's status as a candidate country negotiating accession to the EU;
- support to the Republic of Moldova, contributing to its energy security and resilience, and taking into account its status as a candidate country negotiating accession to the EU, that the Council takes note of and WELCOMES the Comprehensive Strategy for Energy Independence and Resilience of the Republic of Moldova and aims—AIMS to continue providing—support to the Republic of Moldova, which faced an unprecedented energy gas crisis in the beginning of 2025 recent months and has successfully managed to diversify its energy sources and launch a process of decarbonising its economy and energy sector to increase its resilience, and speed up its modernisation and facilitate regulatory alignment with the EU;
- the integration synchronisation of the Baltic States into electricity systems with the Continental European Continental System that successfully started on 9 February 2025 while REITERATING that the successful integration with the EU internal energy market contributes to security of supply and energy independence not only in the Baltic Sea region but in the entire EU, and that this will further strengthen the integration of renewable energy in the EU system;
  - the role of Union's enhanced energy cooperation with Energy Community
     Contracting Parties focusing on security of supply, diversification of routes and sources, and energy transition and NOTES that 2025 marks 20<sup>th</sup> anniversary of the signature of the Energy Community Treaty in Athens;
  - the need for a robust Connecting Europe Facility for Energy in order to adequately respond to and support the investment needs with regards to strengthening resilience and protection of critical energy infrastructure.

# **REITERATES** that

- <u>in order to a achieve a fully functioning internal energy market, the EU needs</u> robust, interconnected, reliable and secure energy systems;
- a comprehensive EU approach to strengthening and protecting the European grids is a key element of a successful process of decarbonisation of our economy;
- the EU has a key role in supporting the Member States in these objectives, including through dedicated financing schemes, and strengthening mechanisms of cooperation between network operators on cross-border, regional and national transmission and distribution planning, with a specific focus on delivering on the electricity interconnection target for 2030, as well as streamlining the permitting, procurement and state aid procedures;
- the EU needs to also support Member States in strengthening capabilities to protect, survey, reconstruct and repair the European infrastructure in case of major disruptions and damages, including those resulting from hybrid activities against the EU.

# CALLS ON the Commission to:

- continue its work towards fully phasing out fossil fuel energy fuel supplies and diversify from unreliable suppliers in the spirit of Versailles declaration from March 2022 and to reinforce efforts to achieve a fully integrated and interconnected energy market, while taking into account the right of Member States to determine their energy mix;
- continue its work towards the completion of the Energy Union, in particular by facilitating the swift implementation of the adopted legislation, including the Governance Regulation, and ensuring the prompt and effective execution of the measures and initiatives set out in the Action Plan for Affordable Energy;
- put forward, by the end of June 2025, the proposals referred to in the Roadmap towards ending Russian energy imports, including a detailed assessment on possible feasibility, competitiveness, pricing, and legal and energy security implications;
- speedily assess which parts of the existing energy acquis may be subject to simplification under the Omnibus programme, while ensuring stability and predictability in the EU regulatory framework;

- present, at the latest by the last quarter of 2025, a comprehensive package of solutions aimed at expanding, strengthening, modernising, making more efficient and resilient and digitalising the EU energy transmission and distribution infrastructure which will allow for the continued transformation of EU energy systems with a view to reaching climate neutrality in 2050 and achieving a genuine Energy Union that delivers competitiveness, affordability, sustainability and security for all Europeans, by putting forward a European Grids Package consisting of legislative proposals and non-legislative measures to, inter alia, simplify EU rules on grids, strengthen cross-border and distribution planning to better look into flexible demand, integrate EU, and regional and national needs, ensure the delivery of projects, including the completion of flagship projects listed in the Action Plan for Affordable Energy, and support fair cost-sharing mechanisms for key cross-border projects of common interest, while respecting the principle of subsidiarity;
- <u>building on the implementation and the assessment of the existing legislation, put</u> forward legislative proposals to accelerate permitting for energy infrastructure, storage and renewables, including streamlining environmental assessments and reducing permitting deadlines for an accelerated energy transition as part of the European Grids Package as indicated in the Action Plan for Affordable Energy <u>and support Member States in its implementation</u>;
- facilitate the completion of key Projects of Common Interest, in the context of the High Level Group on the Interconnections for South-West Europe, and provide regular reporting on progress towards meeting the 2030 electricity interconnection target, as well as identify technical, regulatory or financial bottlenecks for infrastructure projects;
- account of risks posed by hybrid attacks, with a special focus on ending energy isolation, removing infrastructure bottlenecks, the necessary expansion of offshore infrastructure and strengthening the security, and resilience and repair capacities with respect to of energy infrastructure and supply chains, in ecoperation synergy where relevant with NATO within the existing cooperation format, and likeminded third countries, against potential physical and cyber-attacks, both on land and at sea, and present its assessment to the Council and address the findings through upcoming legislative proposals including the European Grids Package;

- improve the conditions for investing in energy generation in Europe so as to allow for all clean energy technologies, storage and flexibility to contribute to the process of transformation and decarbonisation of the EU energy mix and further promote energy and climate cooperation with our global partners;
- support Member States in addressing their adequacy needs in a timely manner, in particular by streamlining the approval processes of capacity mechanisms while respecting Member States' competences to manage their security of supply;
- analyse and, **if needed**, present to the Council in *the first quarter of* [2026] initiatives and instruments aimed at increasing energy efficiency **and electrification** and at providing further incentives for energy savings in order to support the Member States in the implementation of existing legislation;
- the NIS2 Directive<sup>12</sup> and NCCS Delegated regulation<sup>13</sup>, with a particular focus on enhancing the resilience of energy consumers, producers, transmission and distribution networks, terminals and storage facilities, in particular through improved coordination between Member States and the Union, deployment of advanced IT-based management tools, real-time monitoring, and early warning;
- present, after having carried out a thorough impact assessment, a comprehensive review of the current EU energy security regulatory framework by the end of the first quarter of 2026:
  - present, as soon as possible, a comprehensive Heating and Cooling Strategy to support the uptake of clean and domestic heat and flexibility sources, such as geothermal energy.

Directive (EU) 2022/2555 of the European Parliament and the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972, and repealing Directive (EU) 2016/1148 (NIS 2 Directive), (OJ L 333 27.12.2022, p. 80)

Commission Delegated Regulation (EU) 2024/1366 of 11 March 2024 supplementing
Regulation (EU) 2019/943 of the European Parliament and of the Council by
establishing a network code on sector-specific rules for cybersecurity aspects of cross-border electricity flows (OJ L, 2024/1366, 24.5.2024)

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