



# Proposal for a Regulation concerning measures to safeguard the security of gas supply

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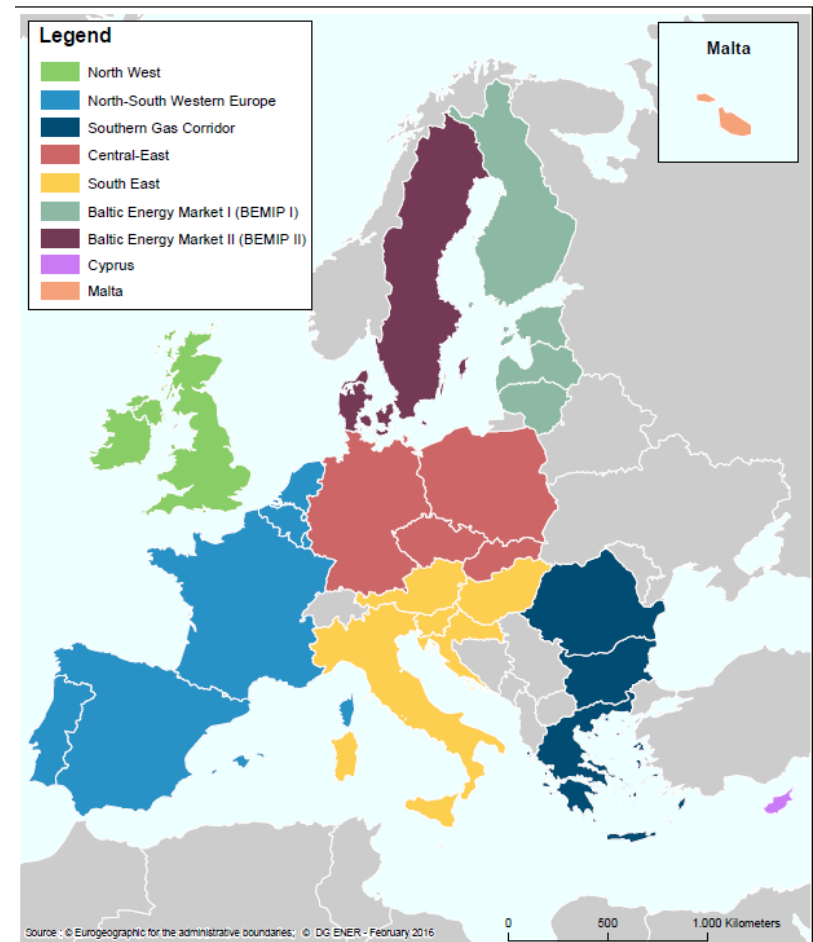
European Commission  
Directorate-General for Energy

# A number of areas are under discussion

- Regional cooperation
- National Plans vs(?) Plans at regional level
- Powers of the Commission
- Solidarity
- Transparency of contracts

# Regional cooperation

- Two different issues:
  - Composition of the regions
  - Purpose of the regions



# Definition of the regions

- Via a definition of regions contained in Annex I, based on a number of criteria (Article 3)
- Why are regions defined in the legislative proposal?
  - The ordinary legislative procedure (OLP) is the most open and participative procedure
  - Ensures the application of the Regulation as of "day 1"
- Amendments are possible (delegated acts)
- Top-down vs bottom up? Or Mandatory vs voluntary?
  - Any proposal of regions, as part of the OLP, will require the agreement of the EU legislator
  - A cooperation *à la carte* is unlikely to deliver the same benefits, nor to be applied throughout Europe (examples in the past).

# Purpose of the regions

- Why?
    - The most effective tool to improve prevention (better estimation of risk magnitude, early identification of synergies and inconsistencies)
    - To ensure a consistent and larger response in a severe crisis
  - What is the added value?
    - Experience shows there is real added value:
      - Ensuring consistency of measures
      - Ensuring full awareness of the type of measures to be deployed by your neighbours and when
      - Clear opportunity to exploit synergies
- ➔ reducing costs of SoS measures for consumers!

# National Plans vs(?) Plans at regional level

- **NO!**. Each Member State **MUST** prepare its national measures ahead of engaging in the regional discussion (Article 7(2) of the Commission's proposal).
- Need for an integrated document containing national & regional measures to ensure full consistency and true consultation (avoid tick in a box!)
- There is no loss of sovereignty.

# Powers of the Commission

- Current system: opinion + "*name & shame*"
- Proposal: opinions + decisions




Only if certain  
conditions are met

# Solidarity

- A one-size-fits-all approach is unlikely to work in this case



The necessary arrangements need to be agreed among Member States in question, including technical, administrative and financial issues.

- Member States have already in place procedures for similar situations (emergencies) at national level. The same procedures can be applied  a political question?
- Non-paper prepared for the up-coming GCG meeting



# Solidarity

- A number of principles (non-paper):
  - Last resort and no free-riding → EP to be exhausted first
  - Market-based as much as possible
  - No perverse incentives
  - Compensation costs must be paid by beneficiaries
  - Proportionality in costs and burden (based on existing mechanisms as much as possible)
  - Certainty for actors involved must be provided (framework)
  - Transparency in advance about likely affected gas volumes

# Transparency of contracts

- Proportionate and clear approach:
  - Targeted mechanism for specific cases based on "lessons learnt".
  - Contracts:
    - Limited number of contract subject to automatic notification
    - Additional mechanism to prevent any "by-pass"
    - Clear obligations for suppliers affected
- No clash with other instruments
  - ➔ different scope and purposes