



ENGIE response to the consultation on the Intergovernmental Agreements Decision

Date: 28/09/2015

ENGIE identification nr. 90947457424-20

1. How could the current information mechanism with regard to IGAs be strengthened in terms of contributing to security of energy supply and ensuring the proper functioning of the internal energy market?

ENGIE fully supports the principle of good coordination of EU external relations with key producing, transit and consuming countries. In this context, IGAs play a key role in providing energy operators with political support and legal predictability of commercial agreements with third countries.

ENGIE believes that the information mechanism currently in place is working properly and that it already fulfils its objectives by contributing to enhancing transparency, security of supply and ensuring the correct functioning of the internal energy market.

2. What incentives or mechanisms could you envisage that would reinforce the transparency of IGAs? How could we enhance the exchange of information on IGAs prior to their signature?

ENGIE considers that it is not necessary to envisage incentives or mechanisms to reinforce the transparency of IGAs since the currently mechanism in place works properly, as stated in Question 1.

3. What incentives or mechanisms could you envisage that would reinforce the compatibility of IGAs with EU energy security provisions? Should a mandatory ex ante verification mechanism be introduced?

ENGIE maintains that a mandatory ex-ante verification mechanism should not be envisaged. Such a mechanism would put a too heavy burden on Member States delaying the conclusion of intergovernmental agreements and of commercial agreements which may be linked to them.

Moreover, signatories bear the responsibility to ensure IGAs' compliance with EU law. Should there be any doubt as the compatibility of a draft IGA with EU rules, the existing Decision already provides Member States with the possibility to ask the Commission to carry out a compatibility check.

4. If a mandatory ex-ante verification mechanism were introduced:

- a. **What should be the scope of the ex-ante assessment in terms of the criteria against which IGAs should be assessed?**
- b. **How should the assessment mechanism be set up? Do you think that the ex-ante verification mechanism that exists for IGAs in the nuclear field (Article 103 Euratom) would be the right model?**
- c. **At what stage in negotiations should Member States inform the Commission about the planned conclusion of an IGA?**

As stated above, ENGIE maintains that a mandatory ex-ante verification mechanism should not be envisaged.

With regard to point b., the Group maintains that the transposition of obligations provided by Article 103 of the Euratom treaty to IGAs is not desirable as it would put a significant burden on Member States and significantly delay the negotiation and the signature of the IGA concerned.

5. Do you think that mandatory assistance from the Commission in the negotiation of IGAs would be a suitable way of ensuring the compliance of future IGAs with EU law? Please provide reasons for your point of view

ENGIE believes that Member States should continue to have the possibility to inform the Commission of ongoing IGA negotiations and ask the Commission to participate in such negotiations as an observer, with no mandatory mechanism in place.

While recognising the Commission's added value in providing political and diplomatic support in preparing the ground for future agreements, ENGIE is of the view that it is the responsibility of Member States to negotiate the agreements and ensure their compatibility with EU law.

Moreover, Inter-Governmental Agreements can facilitate entrepreneurial engagement through the signing of commercial agreements and the development of industrial initiatives. The Commission should not itself engage in the negotiations of commercial agreements nor should there be, for the reasons mentioned above, an obligation for mandatory assistance from the Commission in the negotiation of IGAs.

6. What should the content of any model clauses be? What areas should they cover?

7. Should such model clauses serve as a guide for Member States? Or should their use have consequences for the assessment process by the Commission?