

EUROPEAN COMMISSION

PRESS RELEASE

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Internal energy market: Commission refers Bulgaria, Estonia and the United Kingdom to Court for failing to fully transpose EU rules

The European Commission is referring Bulgaria, Estonia and the United Kingdom to the Court of Justice of the European Union for failing to fully transpose the EU internal energy market rules. To date Bulgaria, Estonia and the UK have only partially transposed the Electricity and Gas Directives. The Directives had to be transposed by the Member States by 3 March 2011.

"The EU needs an internal energy market to tackle Europe's energy and climate challenges and to ensure affordable and secure energy supplies to households and businesses. Delays in implementation of the EU Internal Energy Market rules have negative effects on all players and are therefore not acceptable." said Günther Oettinger, the EU Energy Commissioner.

For Bulgaria, for each partially transposed Directive, the Commission proposes a daily penalty of €8448. For Estonia, the Commission proposes daily penalties of €5068.8 for the partially transposed Electricity Directive and of €4224 for the partially transposed Gas Directive. For the United Kingdom, the Commission requests the Court to impose a daily penalty payment of €148177.92 for each of the partially transposed Directives.

The penalties proposed take into account the duration and the gravity of the infringement. In case of an affirmative judgement of the Court, the daily penalty is to be paid from the date of the judgment until the transposition is completed. The final amount of the daily penalties will be decided by the Court.

The Commission has addressed the issue of not fully transposing the Directives in the three countries by sending letters of formal notice in September 2011. Reasoned opinions as regards both Directives were sent to Bulgaria in February 2012 and to the United Kingdom in April 2012. Reasoned opinions as regards the Gas and Electricity Directives were sent to Estonia in February and April 2012, respectively. Despite these proceedings, full transposition is still pending in the three Member States.

Today's action complements the referrals to court adopted in October (<u>IP/12/1139</u>) and November (<u>IP/12/1236</u>) 2012. The current action concerns cases where the Member States have already adopted considerable new legislation pursuant to the third internal energy market package and have thus already transposed part of the requirements of the two Directives into national law. However, some provisions contained in these Directives are still not transposed. The Commission is also examining the situation in other Member States to which it has addressed reasoned opinions for not fully transposing the Electricity and Gas Directives.



Background

In February 2011, the EU Heads of State and Governments declared the need to complete the internal energy market by 2014. To achieve this, timely and complete transposition of EU legislation on the single market of gas and electricity into national law is crucial. The third internal energy market package includes key provisions for a proper functioning of the energy markets, including new rules on unbundling of networks, rules strengthening the independence and the powers of national regulators and rules on the improvement of the functioning of retail markets to the benefit of consumers.

The concerned Directives of the Third internal energy market package are:

- Directive on common rules for the internal market in gas (2009/73/EC)
- Directive on common rules for the internal market in electricity (2009/72/EC)

Under the Lisbon Treaty, which entered into force on 1 December 2009, if Member States fail to transpose EU legislation into national law within the required deadline, the Commission may ask the Court to impose financial sanctions when referring the case for the first time.

More information

The Electricity Directive (2009/72/EC), and the Gas Directive (2009/73/EC), can be consulted <u>here</u>.

Commission web page on the Internal Energy Market:

http://ec.europa.eu/energy/gas_electricity/index_en.htm.

Current figures on infringements in general can be found at:

http://ec.europa.eu/eu_law/infringements/infringements_en.htm.

On the January infringement package decisions, see <u>MEMO/13/22</u>.

On the general infringement procedure, see <u>MEMO/12/12</u>.

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