



EUROPEAN COMMISSION

PRESS RELEASE

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Energy: EU invests €647 million in key energy infrastructure

Today Member States agreed to allocate €647 million to support key priority infrastructure projects. The bulk of the support goes to gas projects in the Baltic region as well as in Central Eastern and South Eastern Europe. Funding will come from an EU programme called the Connecting Europe Facility (CEF). The supported projects will increase Europe's energy security and help end the isolation of Member States from EU-wide energy networks. They will also contribute to the completion of a European energy market and the integration of renewables to the electricity grid.

Vice-President of the European Commission, responsible for energy, Günther H. Oettinger said: "I welcome today's decision, which will help us to quickly build the infrastructure we need to ensure Europe's energy security. The geopolitical crisis has highlighted the need to better connect energy networks. This is also crucial for an integrated energy market where consumers get the best value for their money."

Most of the money will directly or indirectly finance gas projects. Besides the construction of new pipelines, these gas projects also include terminals to ship liquefied natural gas (LNG) in the Baltic region, Central Eastern and South Eastern Europe.

Innovative technologies in electricity will also be co-financed. These include a feasibility study for a 700 km long subsea high-voltage direct current cable between Norway and the United Kingdom and a smart grids project on the border of Ireland and the UK (Northern Ireland).

Of the 34 grants given :

- 16 are in natural gas and 18 in electricity sector;
- 28 grants are paid for studies, such as environmental impact assessments (€91.4 million);
- 6 grants go to construction works project (€555.9 million).

A number of projects supported have been identified as key security of supply projects in the European Energy Security Strategy of 28 May 2014. The Connecting Europe Facility

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(CEF) provides funding for those projects that have clear benefits beyond national borders and are commercially not viable or not affordable to users in certain Member States.

The grants under CEF can finance up to 50% of the eligible costs of actions. However, in exceptional circumstances - when an action clearly benefits security of supply, strengthens solidarity between Member States or enables highly-innovative solutions - up to 75% of the costs for works can be covered by the facility.

The European Commission proposal was supported by the CEF Coordination Committee, which consists of representatives from Member States. Later this year the Commission will formally adopt the list of proposals which will receive financial assistance under CEF-Energy.

Background

Under the Connecting Europe Facility a total of €5.85 billion has been allocated to Trans-European energy infrastructure for the period of 2014-2020.

In order to be eligible for a grant, a proposed action has to relate to a project included in the list of 'projects of common interest'. The first list was adopted by the European Commission in October 2013. It consists of 248 energy infrastructure projects which, when completed, would each ensure significant benefits for at least two Member States; enhance security of supply, contribute to market integration and further competition as well as reduce CO₂ emissions.

Under the first call for CEF-energy 64 eligible proposals have been received requesting in total €1.370 billion of financial support. Proposed actions that have been rejected during the evaluation as they were not yet mature at the time of closure of the call may again apply for funding during the next call scheduled for 2015 .

For further information

[MEMO/14/605](#)

DG ENERGY webpage on projects of common interest
http://ec.europa.eu/energy/infrastructure/pci/pci_en.htm