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Transport, Telecommunications and Energy

Energy issues

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President **Etienne Schneider**
Luxembourg Minister for Economy and Foreign Trade

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- Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
- Documents for which references are given in the text are available on the Council's Internet site (<http://www.consilium.europa.eu>).
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

ITEMS DEBATED

Energy efficiency labelling

The Council reached a general approach on the proposal for a regulation setting a framework for energy efficiency labelling and repealing Directive 2010/30/EU ([13917/15](#)). The main objective of the proposal is to promote innovation and the production of ever more energy efficient products. It will also enable customers to make informed choices about energy consumption when making their purchases and thus contribute to the overall moderation of energy demand at Union level.¹

The proposal retains the main principles of the current legislative framework, but further clarifies, strengthens and extends its scope. It allows for the periodic rescaling of labels (A to G) to take into account technological development and to avoid excessive use of higher efficiency classes.

The proposed regulation also contains clearer rules on promotional campaigns, advertisement, incentives and aims to improve enforcement mechanisms and transparency towards customers and the public by creating a database of products covered by energy labelling requirements.

Members states and the Commission underlined that energy labelling was a significant contribution to achieving the EU's goals on energy efficiency.

The adoption of the general approach is an important step in the legislative process, enabling the Council to start negotiations with the European Parliament next year with a view to the adoption of the regulation.

¹ [2030 climate and energy framework](#)

Energy market design and energy consumers

The Council held an orientation debate on the basis of the following Commission communications:

- launching the public consultation on a **new energy market design** (11018/15) with a view to adapting the current electricity market to be increasingly based on renewable energy, energy efficiency and smart and flexible technologies and infrastructure.
- delivering a **new deal for energy consumers** (11017/15), which aims to provide the right framework and incentives for consumers to become more active and to be able to enjoy the full benefits of market integration, while actively contributing to the electricity system transformation and its stability

The main outcome of the debate was the following:

- the future electricity system and reformed market design must send the right signals to investors in order to ensure that long-term cost-effective investments will take place.
- they should also encourage access to new operators and facilitate the introduction of innovative technologies, products and services in order to stimulate competition and growth
- need to integrate distributed energy, including renewables, into the power grids
- Distribution System Operators (DSOs) will become an even more important connecting link to energy consumers, they should therefore be neutral and flexible
- cooperation among the different DSO's should be strengthened
- new technologies must be developed (for instance, smart meters) in order to allow consumers to control their energy consumption by using cost-effective solutions. Particular attention should be given to vulnerable consumers

The outcome of the Council debate will serve as guidance to the Commission's preparatory work on the legislative proposals regarding the new electricity market design, including the security of electricity supply, to be presented next year.

Energy Union governance

The Council adopted conclusions on Energy Union governance ([14459/15](#)), which will provide policy and technical guidance to the Commission for building the Energy Union in the months and years ahead, in particular regarding the governance instrument.

The [Energy Union with a forward looking climate policy](#), has five main dimensions which are closely interrelated and mutually reinforcing². The implementation of all five dimensions, requires a reliable and transparent governance system without creating any unnecessary administrative burden for member states.

The governance system will monitor the EU's collective progress towards the achievement of EU energy and climate targets and its general policy objectives across the five dimensions, and thus provide for a consistent and transparent overview of the state of the Energy Union.

It will be based on the existing building blocks, such as national climate programmes, national plans for renewable energy and energy efficiency. It will ensure the necessary flexibility for member states and fully respect their freedom to determine their energy mix. Long-term planning by member states, covering the five dimensions equally, will also enhance the stability and predictability of the investment climate.

The conclusions identify as essential components of the governance system:

- a **National Energy and Climate Plan** (National Plan) to be adopted by each member state, covering the period from 2021 to 2030
- **progress reports** on the implementation of the National Plan,
- **constructive dialogues** between the Commission and the member states; and
- **monitoring and evaluation** based *inter alia* on key indicators;

²

- energy security, solidarity and trust
- internal energy market
- moderation of energy demand through energy efficiency
- decarbonisation of the economy
- research, innovation and competitiveness

The Commission made a statement to be included in the Council minutes, since it wished that member states presented their first National Plans in 2017 and not in 2019, as foreseen in the conclusions.

In this context, Ministers will also take note of the first annual report of the Commission on the **state of the Energy Union** ([14015/15](#)), presented by the Commissioner Šefčovič. The report takes stock of the progress made so far and analyses the energy situation both at EU and national level, building on the Commissioner's visits to each member state and includes factsheets by country, as well as Commission's recommendations.

The Presidency will send a letter to the President of the European Council indicating the main results of the Council. This letter will constitute the response to the request of the European Council of March 2015 that the Council report on progress in the implementation of the Energy Union before the December European Council.

Other business

– International energy relations

Ministers were updated by the Commission on recent and upcoming developments concerning international energy relations ([13174/15](#)), in particular:

- Ukraine/Russia/EU trilateral talks on gas
- [Energy Community](#)
- [Energy Charter Treaty](#)
- [International Energy Agency](#)
- Strategic Group for international energy cooperation
- EU-MED energy cooperation

– Work programme of the incoming Presidency

The Netherlands delegation presented its work programme in the energy field for the next six months ([13961/15](#)). The main priorities will be the following:

Follow-up of Energy Union implementation, in particular

- regional cooperation
- progress on the adoption on energy efficiency labelling
- electricity market design
- review of the regulation on security of gas supply
- review of the decision to set up an information exchange mechanism for intergovernmental agreements
- follow-up of upcoming Commission strategies on LNG and Storage and Heating and Cooling strategy

OTHER ITEMS APPROVED

ECOFIN

Coal-fired power plants

The Council endorsed rules on export credits to coal-fired power plants, developed within an OECD framework and contributing to the COP21 negotiations. [See press release](#)

AGRICULTURE

Animal health - Rules concerning transmissible spongiform encephalopathies

The Council decided not to oppose the adoption of a Commission regulation amending Annexes III and IV to regulation 999/2001 laying down rules for the prevention, control and eradication of certain transmissible spongiform encephalopathies ([12653/15](#)).

Regulation 999/2001 lays down rules for the prevention, control and eradication of transmissible spongiform encephalopathies (TSEs) in bovine, ovine and caprine animals. It applies to the production and placing on the market of live animals and products of animal origin and in certain specific cases to exports thereof.

This regulation provides technical modifications to regulation 999/2011 including rules on the export of processed animal protein derived from non-ruminants and the transfer to the European Food Safety Authority (EFSA) the responsibility of the EU annual summary report on the monitoring and testing of ruminants for the presence of TSE.

This Commission regulation is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the regulation, unless the European Parliament objects.

Pesticides - maximum residue levels

The Council decided not to oppose the adoption of two Commission regulations amending annexes II and III to regulation 396/2005³ as regards:

- maximum residue levels for diethofencarb, mesotrione, metosulam and pirimiphos-methyl in or on certain products (amendment of annexes II and III) ([13273/15](#));
- maximum residue levels for oxadixyl and spinetoram in or on certain products (amendment of annex III) ([13272/15](#));

Regulation 396/2005 establishes the maximum quantities of pesticide residues permitted in products of animal or vegetable origin intended for human or animal consumption. These maximum residue levels (MRLs) include, on the one hand, MRLs which are specific to particular foodstuffs intended for human or animal consumption and, on the other, a general limit which applies where no specific MRL has been set. MRL applications are communicated to the European Food Safety Authority (EFSA) which issue a scientific opinion on each intended new MRL. Based on EFSA's opinion, the Commission proposes a regulation such as those listed above to establish a new MRL or to amend or remove an existing MRL and modifying the annexes of regulation 396/2005 accordingly.

These Commission regulations are subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the regulations, unless the European Parliament objects.

³ OJ L 070, 16.3.2005, p. 1.

FISHERIES

Landing obligation - discard plan for certain demersal fisheries

The Council decided not to oppose the adoption of a Commission regulation establishing a discard plan for certain demersal fisheries in the North Sea and in EU waters of ICES Division IIa ([13334/15](#)).

A key objective of the new Common Fisheries Policy (CFP), as set out in regulation [1380/2013](#)⁴ is the progressive elimination of discards in all EU fisheries. The landing obligation in EU waters will apply as of 1 January 2016 to certain demersal fisheries.

In addition to generic flexibility provisions to facilitate the implementation of the landing obligation by the member states, the new CFP provides for specific flexibility mechanisms. In the absence of multiannual plans those mechanisms need to be implemented through discard plans. Those plans are envisaged as a temporary measure with a maximum duration of three years. They are developed as joint recommendations agreed by groups of member states from the same region or sea basin.

A discard plan may contain the following elements:

- specific provisions on fisheries or species covered by the landing obligation;
- specification of exemptions to the landing obligation;
- provisions for de minimis exemptions;
- provisions on documentation of catches;
- the fixing of minimum conservation reference sizes (MCRS);
- technical measures.

The delegated act is based on the joint recommendation developed and submitted to the Commission by the member states who have a direct management interest in the relevant fisheries in this region.

⁴ OJ L 354, 28.01.2013, p. 22.

ENVIRONMENT

Climate change: cooperation with Bhutan

The Council approved the signature, on behalf of the EU, of the [declaration](#) between the EU and the Kingdom of Bhutan on cooperation on climate change.

The declaration acknowledges the ambitious contribution of Bhutan to the Paris climate change conference (COP 21), which aims to reach a new international agreement under the United Nations Framework Convention on Climate Change (UNFCCC).

The Bhutanese commitment, stated in its Intended Nationally Determined Contribution (INDC), is considered as one of the most ambitious in the world, as it commits the country to carbon neutrality. The country also commits to keep a forest coverage of at least 60% of its territory.

In the declaration, both sides state their intention to play pro-active roles towards reaching an ambitious legally-binding agreement at the UN climate change conference to be held in Paris from 30 November to 11 December 2015 (COP 21).

The declaration was prepared after the participation of Prime Minister of Bhutan Tshering Tobgay in the European Development Days in June 2015, and in the context of an ongoing project under the EU Global Climate Change Alliance.

Hazardous chemicals

The Council decided not to object to a Commission delegated regulation ([12877/15 + ADD1](#)) concerning the export and import of hazardous chemicals.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. This means that now that the Council has decided not to object to it, the act can enter into force, unless the European Parliament objects to it.

This delegated act amends annex I to Regulation [294/2012](#) concerning the export and import of hazardous chemicals, on the basis of developments in EU law and under the Rotterdam Convention.