

Economic Recovery: Second batch of 4-billion-euro package goes to 43 pipeline and electricity projects

The European Commission selected today 43 major energy projects, which will significantly contribute to the economic recovery in the EU, while increasing our security of energy supply by creating cross-border infrastructure. With today's decision, the Commission grants € 2.3 billion to 31 gas and 12 electricity projects. This is the second financial decision under the Economic Recovery Package which amounts to almost 4 billion Euros. It is the largest amount the EU has ever spent on energy infrastructure.

José Manuel Barroso, President of the European Commission, said: "*Under the EU's Recovery Plan we finance 'smart investment' – a short-term stimulus targeted on long-term goals. Investing in key infrastructure will not only give a push to the economy and employment, but it will also help ensuring that citizens homes will have heating and electricity, even in the event of supply disruptions. We have learnt the lessons of the recent gas crisis which is one of the reasons why we decided to allocate major financial assistance to new energy infrastructure projects*".

Günther Oettinger, European Commissioner responsible for Energy said: "*Never before has the Commission agreed such an important amount for energy projects. We have selected key projects which will help creating a more integrated energy network in Europe ensuring flexible energy flows across Member States' borders. Europe's energy and climate objectives require large and risky infrastructure investments with long pay-back times. The problem is that, in today's economic climate, such projects risk to be delayed. This is a moment where Europe can play an important role in keeping these projects on track*".

Today's Commission decision grants € 910 million for 12 electricity interconnection projects and € 1,390 million for 31 gas pipeline projects. The projects selected today will help to deliver major investment projects which were at risk of major delay because of the economic slowdown. By co-financing parts of these projects up to 50% the EU contribution will help to lever up to 22 billion euros of private sector investment. The 2,3 billion Euro will be granted to project developers over the next 18 months.

The electricity and gas infrastructure projects selected reflect the energy priorities of the EU. These include the need to better interconnect all EU Member States and to reduce the isolation of remoter parts, such as the three Baltic States, Ireland and Malta. They also confirm the need for greater security of gas supplies by supporting projects for reverse flow in 9 Member States and the Nabucco and Galsi projects to diversify gas imports.

These investments will help stimulate employment and ensure the survival of many small businesses in the construction and services industries. They will make energy supplies more reliable for millions of people especially in the event of a supply crisis.

Background

In March 2009 the EU set aside €3.98 billion to assist European economic recovery.

With the Carbon Capture and Offshore Wind Projects which the Commission agreed to support on 9 December 2009, the budget for energy projects in the European energy Recovery Programme is 97 % committed.

The Commission will report to the European Council in March 2010.

The complete list of projects is annexed to this press release.

For more information:

[IP/09/1896](#): Commission approves over €1,5bn for 15 CCS and off-shore wind projects to support European economic recovery

Contact:

Marlene HOLZNER: 02/296.01.96
Irena NOVAKOVA: 02/299.96.08

List of grants to be financed by the 2009 and 2010 budget for the sector of **Gas and Electricity** infrastructure projects.

1. GAS INTERCONNECTORS

Project as mentioned in the EEP Regulation	Applicant Name	Country(ies)	Maximum Union contribution in €
Nabucco	Nabucco Gas Pipeline International GmbH	AT, HU, BG, DE, RO	200,000,000
ITGI – Poseidon	IGI Poseidon S.A	GR, IT	100,000,000
Skanded/Baltic pipe	Energinet.dk	DK	100,000,000
	Gaz System S.A	PL	50,000,000
Liquefied Natural Gas Terminal at Polish Coast at port of Świnoujście	Polskie LNG sp. z.o.o & Zarząd Morskich Portów Szczecin i Swinoujsce S.A	PL	80,000,000
Slovakia-Hungary Interconnector (Veľký Krtíš – Vecsés)	FGSZ Natural gas Transmission Closed company Limited	HU	30,000,000
	Eustream a.s	SK	
Gas transmission system in Slovenia between the Austrian border to Ljubljana (excluding the section Rogatec-Kidričevo)	Geoplin plinovodi d.o.o	SI	40,000,000

Interconnection Bulgaria-Greece (Stara Zagora –Dimitrovgrad-Komotini)	1) Public Gas Corporation of Greece (DEPA) 2) EDISON S.p.A 3) Bulgarian Energy Holding EAD	GR, IT, BG	45,000,000
Romania-Hungary gas interconnector	FGSZ Natural gas Transmission Closed company Limited SNTGN TRANSGAZ SA	RO HU	16,606,788
Expansion of Gas Storage Capacity in the Czech hub	RWE Gas Storage	CZ	35,000,000
Hungary-Croatia interconnection	FGSZ Natural gas Transmission Closed company Limited	HU	20,000,000

Bulgaria-Romania interconnection	1) S.N.T.G.N TRANSGAZ SA 2) BULGARTRANSGAZ EAD	RO, BG	8,929,000
Reinforcement of FR gas network on the Africa-Spain-France axis	GRTgas SA	FR	175,765,000
GALSI (Gazoduc Algérie-Italie)	Galsi Spa	IT	120,000,000
Gas interconnection Western Axis Larrau Branch	Enagas SA	ES	45,000,000
Germany-Belgium-United Kingdom pipeline	FLUXYS SA	BE	35,000,000
France-Belgium interconnection	FLUXYS SA & GRTgas SA	BE & FR	200,000,000
TOTAL GAS			1,301,300,788

REVERSE FLOW GAS PROJECTS

Infrastructure and equipment to permit REVERSE FLOW in the event of short term supply disruption	REN-GASODOTU S.A	PT	10,700,750
	SNTGN TRANSGAZ SA	RO	1,560,000
	Baumgarten-Oberkappel Gasleitungsges m.b.H (BOG)	AT	1,883,500
	OMV Gas GmbH	AT	425,000
	OMV Gas GmbH	AT	1,150,000
	Trans Austria Gasleitung GmbH	AT	4,800,000
	NAFTA a.s	SK	2,936,121
	Eustream a.s	SK	664,500
	RWE Transgas Net, s.r.o	CZ	3,675,000
	FGSZ Natural gas Transmission	HU	8,078,500
	Latvijas Gaze & AB Lietuvos Dujos	LV	12,940,000
	Gas System S.A	PL	14,405,248
	RWE Transgas Net, s.r.o	CZ	2,300,000
RWE Transgas Net & Gaz-System S.A	CZ & PL	14,000,000	
Total Reverse Flow			79,518,619

2. ELECTRICITY INTERCONNECTORS

Project as mentioned In the EEP Regulation	Applicant Name	Country(ies)	Maximum Union contribution in €
Estlink-2	1) Fingrid Oyj 2) Elering OÜ	FIN, ET	100,000,000
Interconnection Sweden-Baltic States, and strengthening of the grid in Baltic States	1) Affärsverket svenska Kraftnät 2) Consortium (Public Institution Central Project Management Agency CPMA and AB Lietuvos Energija) 3) Latvenergo AS	SE, LT, LV	131,000,000
	Latvenergo AS	LV	44,000,000
Halle/Saale – Schweinfurt	1) Vattenfall Europe Transmission GmbH 2) Transpower stromübertragungs GmbH	DE	100,000,000

Wien-Győr	1) VERBUND-Austria Power Grid 2) MAVIR ZRt	AT, HU	12,989,800
Portugal-Spain interconnection reinforcement	REN - Rede Electrica Nacional S.A	PT	21,126,213
	REN - Rede Electrica Nacional S.A	PT	28,873,787
Interconnection France-Spain (Baixas - Sta Llogaia)	1) Red Electrica de España 2) Réseau de Transport d'Electricité	ES, FR	225,000,000

New submarine cable between Sicily – Continental Italy (Sorgente – Rizziconi)	Terna S.p.A	IT	110,000,000
Ireland/Wales interconnector (Meath-Deeside)	Eirgrid	IRL	110,000,000
Electricity interconnection Malta-Italy	1) Enemalta Corporation 2) Terna Spa - Rete Elettrica Nazionale	MT, IT	20,000,000
TOTAL Electricity			902,989,800

3. SMALL ISLANDS PROJECTS

Project as mentioned In the EEPR Regulation	Applicant Name	Country(ies)	Maximum Union contribution in €
Small isolated island initiatives	Ministry of Commerce, Industry and Tourism	CY	10,000,000
	Enemalta Corporation	MT	5,000,000
TOTAL			15,000,000