



**NATIONAL ASSEMBLY
OF THE REPUBLIC OF BULGARIA**

STATEMENT

**OF THE NATIONAL ASSEMBLY OF THE REPUBLIC OF BULGARIA
ON THE PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT
AND OF THE COUNCIL ON GUIDELINES FOR TRANS-EUROPEAN ENERGY
INFRASTRUCTURE AND REPEALING DECISION NO 1364/2006/EC, COM (2011) 658**

At a regular meeting held on **18 July 2012**, the Committee on European Affairs and Oversight of the European Funds (CEAOEF) considered the proposal for a Regulation of the European Parliament and of the Council on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC, COM (2011) 658. The proposal for a Regulation is one of the principal priority dossiers of the Cyprus Presidency of the Council of the European Union, on which agreement is planned to be reached before the end of 2012, so as to start its implementation as from January 2013.

Having discussed the proposal for a Regulation on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC. COM (2011) 658, the CEAOEF expresses the following opinion which will be sent to the European institutions within the framework of political dialogue:

1. The CEAOEF shares the priorities of the Cyprus Presidency of the Council of the European Union in the sphere of energy policy and the outlined integrated approach to policies in the field of energy, the environment and climate change. In this connection, we welcome the efforts to reach agreement on the legislative proposal for development of the trans-European energy infrastructure before the end of 2012.
2. The CEAOEF welcomes the active steps for the completion of a European energy infrastructure and for the shaping of a long-term vision of a modern integrated network of the EU. The timely taking of measures for the modernisation and expansion of the energy networks will facilitate the process of optimising the EU's energy mix, ensuring security of energy supply, the effective use of energy resources and the moving to a low-carbon economy.
3. The CEAOEF supports the adoption of a coordinated approach to the development and modernisation of the energy infrastructure, which will contribute to ensuring uninterrupted energy supply and will raise the level of security and diversification of energy supplies, as well as the physical functioning of energy markets on a regional scale and their integration into the EU internal energy market.
4. The CEAOEF is of the opinion that the draft legislative act is a prerequisite for the establishment of a stable regulatory and financial framework for development of the relevant energy infrastructure of the EU in the period up to 2020. The proposal for a Regulation addresses the main obstacles to the development of the internal energy market, related to the permit granting procedures, the regulatory framework, public opposition and financial constraints.

5. The CEAOEF is of the opinion that designating trans-European priority corridors is crucial lest any region or Member State be even partially “isolated” from the Union internal energy market. In this connection, Bulgaria welcomes the clear setting out of the priority electricity corridors as well as the priority gas corridors in the region of South Eastern Europe as an important part of the trans-European energy infrastructure. Within this context, we prioritise the implementation of the interconnections with the neighbouring countries and the Southern Gas Corridor projects.
6. The CEAOEF encourages the Commission, in establishing the future Union-wide list of projects of common interest, to take into consideration the work of the High Level Expert Group and the Action Plan of infrastructure projects which has been prepared by that Group within the framework of the North-South Infrastructure in Central and Eastern Europe Initiative and which will be revised in line with the new Regulation once it is adopted.
7. Considering the increasing share of renewable energy sources and the need to integrate them effectively into the future Union internal energy market, ensuring the stability and integrity of the European electricity network, the CEAOEF recommends considering the possibility of hydro-pumped electricity storage projects being eligible for projects of common interest status.
8. The CEAOEF finds that the proposed general and specific criteria for projects of common interest are well defined with a view to implementing the priorities for development of the energy infrastructure. At the same time, considering the growing importance of partnership with neighbouring third countries, the CEAOEF deems it necessary that account should be taken of the possibility of projects involving Member States and a neighbouring third country also qualify as projects of common interest, in addition to projects involving at least two Member States.
9. The CEAOEF supports the proposed “one-stop shop” mechanism for the future management of projects of common interest with a view to facilitating and accelerating the procedures for their implementation. At the same time, the CEAOEF finds necessary a more detailed discussion of the functions and powers of the envisaged single competent authority that will be responsible for facilitating and coordinating the permit granting process for projects of common interest, as well as possible discussions regarding the good practices in this area.
10. The CEAOEF welcomes the substantial public financial resources of EUR 9.1 billion dedicated through the Connecting Europe Facility to the implementation of key energy infrastructure projects. At the same time, the CEAOEF remains committed to its position, expressed within the context of the debate on the new Multiannual Financial Framework and the Cohesion Policy reform, that the resources under that Facility should not be allocated at the expense of the Cohesion Policy package.

In this sense, the CEAOEF welcomes the idea on the introduction of EU-backed project bonds for particular energy projects as a more suitable means of raising the long-term financing necessary for this in line with the growing importance of innovative financing facilities complementing the traditional grants during the new programming period.

At the same time, the CEAOEF is of the opinion that energy sector companies should remain the principal motor force in investing in energy infrastructure and that public financing should be resorted to when sufficient market interest is absent.