

Methodology to calculate the REPowerEU cross-border target

Cross-border infrastructure and multi-country projects are important for achieving the REPowerEU objectives in the medium term and are encouraged under REPowerEU.

The REPowerEU Regulation includes an additional requirement in Article 18(4), point h, concerning cross-border or multi-country projects. In their REPowerEU chapters, Member States have indicated which measures in the chapter, including, inter alia, those measures addressing challenges identified in the Commission's needs assessment of May 2022, are considered to have a cross-border or multi-country dimension or effect. Additionally, Member States have provided an indication as to whether the total estimated costs of these measures represent at least 30% of the total estimated costs of the measures contained in the REPowerEU chapters. If the estimated costs of those measures account for an amount that represents less than 30%, Member States are required to provide an explanation of the reasons therefore.

In line with annex V, point 2.13 of the amended RRF Regulation, **measures are considered to have a cross-border or multi-country dimension or effect if they either contribute to securing energy supply in the Union as a whole or if they reduce dependency on fossil fuels and/or energy demand.**

Cross-border infrastructure projects (under Article 21c(1) of the amended RRF Regulation)

Cross-border projects encompass infrastructure projects (transmission, distribution networks and storage infrastructure) which aim at securing energy supply, with a view to addressing existing bottlenecks. For this purpose, the Commission has taken into account its needs assessment of May 2022. When carrying out its assessment, the Commission has also considered projects with a multi-country dimension e.g., projects conducted at the same time in different Member States, projects which are part of a larger corridor across several Member States or projects conducted at national level with a significant impact on the neighbouring Member States. To best achieve the REPowerEU objectives within the limited timeframe of the RRF, the Commission has applied a proportionate approach and considered the geographical situation as well as the immediate and long-term energy challenges of each Member State.

Measures reducing dependency on fossil fuels and energy demand

The cross-border or multi-country dimension or effect of measures in the REPowerEU chapter should not be understood in a narrow sense as being limited to projects involving cross-border infrastructure. Considering the integration of energy markets between the Member States and the further interlinkage between Member States' energy mixes, projects having a significant impact on the demand and supply of energy (notably gas and electricity) can be considered as having an impact on the demand-supply balance across several countries and on cross-border flows. Measures contributing to decreasing the reliance on and/or demand of fossil fuels, removing bottlenecks in internal energy flows or facilitating the deployment and integration of renewables projects (such as electricity transmission, distribution grids and storage assets) typically have a cross-border effect and should be counted towards the 30% target. The Commission has therefore considered for the purpose of assessing cross-border or multi-country dimensions or effects measures related to but not limited to energy efficiency, renewables deployment, heat pump deployment, industry decarbonisation, distribution grids, and renewable/fossil-fuel hydrogen.