

## **LISBON DECLARATION**

Second Energy Interconnections Summit  
Portugal-France-Spain -European Commission-EIB  
Lisbon, 27 July 2018

The President of the French Republic, Emmanuel Macron, the Prime Minister of the Portuguese Republic, António Costa, the President of the Government of the Kingdom of Spain, Pedro Sánchez, and the European Commissioner for Climate Action and Energy, Miguel Arias Cañete, met in Lisbon on 27 July 2018 to press forward the development of energy interconnections between the three countries. Also present at the meeting was the Vice-President of the European Investment Bank (EIB), Emma Navarro.

The leaders reaffirm their commitment with the fight against climate change. The challenges we are facing require immediate and decisive action. For this reason, the Governments of France, Portugal and Spain commit in Lisbon to actively promote energy transition and the decarbonisation of the economy. This endeavour will receive all appropriate support, including by financial means, of the European Commission and the EIB.

### ***(Internal Energy Market)***

Committed to establishing the European Energy Union and to promoting energy transition, the signatories reaffirm the strategic role of interconnections to achieve a fully operational, secure, competitive, clean and interconnected internal energy market, and pledge to increase energy sustainability in line with the European energy and climate commitments. They also recognize the importance of an efficient energy market for the competitiveness of the European industry and for job creation.

Taking into account the common risks to the European Union's energy supply, posed by technological progress and the international geopolitical context, the participants identify energy interconnections as a meaningful example of European added value, aligned both with new priorities in security and defence and with the core objective of promoting a better convergence between EU Member States.

Following the Madrid Summit of 4 March 2015, the signatories recall their commitment to the development of interconnections and agree to set up a joint ambitious agenda for successful energy transition.

They renew their determination to abide by the conclusions of the October 2014 European Council, in particular the interconnection targets for 2020-2030. They further recognise the relevance of the conclusions reached with the discussion of

the Package “Clean Energy for all Europeans” regarding the minimum targets set out for interconnections and notably the Energy Union and Climate Action Governance Regulation, with 10% and 15% targets for 2020 and 2030 respectively.

They also underline that the achievement of energy interconnection targets is key to fostering renewable energy thus contributing to the creation of conditions for the efficient fulfilment of the commitments undertaken in the Paris Agreement.

They renew their resolve to achieve the established targets and reaffirm the importance of building the infrastructure required to bring an efficient and decarbonised internal energy market into operation, and in particular the cross-border connections for gas and electricity networks, namely in Member States that have yet to achieve the minimum level of integration with the internal energy market, which is the case of Spain and Portugal.

The signatories welcome the work of the High Level Group on Interconnections for South-West Europe (HLG), established after the Madrid Summit. The HLG, chaired by the European Commission, has played a major role by agreeing on a roadmap for the implementation of the projects included in the Madrid Declaration. The signatories confirm their will to support the HLG in assessing the development of Projects of Common Interest (PCIs) deemed essential to prevent the region’s energy isolation, contained in the Implementation Plan adopted in September 2016.

Determined to renew political momentum to achieve the agreed energy-interconnections targets, the signatories reaffirm their commitment to all of the PCIs already identified and yet to be started or completed in the South-West European context. The best available environmentally-friendly and cost-effective technologies will be guaranteed to increase the acceptability by local populations and meet cost-benefit criteria.

They also agree to review the Implementation Plan, to develop current PCIs and to swiftly identify any new or alternative projects required in order to overcome the shortfall in interconnections between the Iberian Peninsula and France, without delaying the achievement of the interconnection targets. These new projects may also allow Portugal, France and Spain to achieve a more ambitious target by 2030.

The three countries will pursue close coordination, involving all the relevant players, aimed at monitoring interconnections projects, assessing the related financing requirements, and overseeing their progress so as to set up a new road map for their implementation.

***(Electricity interconnections)***

The signatories express their satisfaction with the progress of the strategic Bay of Biscay Interconnector project, the new electricity link through the Bay of Biscay and, with today's signature of the grant agreement under the Connecting Europe Facility, giving the highest ever EU financing for an energy infrastructure. In this framework, they insist on the urgency of putting all the necessary conditions in place for its prompt entry into operation. They welcome the priority awarded by the EIB to the assessment of financing for this project.

They reiterated support for European financing of the following projects identified in the previous Summit in order to advance towards their completion: Cantegrit-Navarra and Marsillon-Aragon, as well as the Portugal-Spain interconnection between Vila Fria-Vila do Conde-Recarei (Portugal), and Beariz-Fontefria (Spain). Upon completion, the latter project will enable an interconnection above 10% between Portugal and Spain.

They also express their full support for accelerating efforts to prepare and identify European sources of financing, in order to assess and implement new electricity interconnection projects connecting France and Spain.

They recognize that new interconnections will also require additional reinforcements of the existing grids in order to fully use their capacity. These reinforcements should be identified as a matter of urgency and taken into account in the assessments.

***(Gas interconnections)***

Portugal, France and Spain welcome the European Commission's Strategy for liquefied natural gas (LNG) and gas storage adopted in February 2016. They underline the importance of LNG to diversify the sources and routes of EU energy supply, with a view to reducing dependence and thereby strengthening energy security. To that end, it is essential to develop transport, storage and import infrastructure that will allow Europe to fully benefit from this energy source.

Portugal, France and Spain recognise the importance of gas interconnections in the region, both for regional purposes and as a key contribution to security of supply in the European natural gas market.

The three countries express their satisfaction for being able to contribute to the strategy with existing LNG infrastructure, which allows them to account for the majority of LNG imported in Europe. This strategy should promote the increase of two-way gas flows between Portugal, Spain and France, contributing to a more secure and affordable internal energy market in the context of a clean energy transition.

The signatories also recognise the relevance of the signature of the MIBGAS Treaty between Portugal and Spain, which will allow a deepening of the Iberian gas market and its future integration with the French gas market, thus contributing to the full establishment of the internal energy market.

### ***(Financing)***

Portugal, France and Spain recognise the central role of the EIB in mobilising the resources needed to invest in current, alternative or new projects, making sure that the achievement of the interconnection targets is not further delayed.

The three countries endorse the prioritisation of financing for these interconnections through the Connecting Europe Facility, the Structural Funds and the European Fund for Strategic Investments. This should continue under the next Multiannual Financial Framework, through the Connecting Europe Facility and the future InvestEU Programme, with due support of the EIB.

This financing should contribute to establishing a single market based on sustainability and solidarity and which does not unduly burden consumers in the three countries.

### ***(Energy transition)***

Portugal, France and Spain acknowledge the contribution of a fully connected internal energy market for the decarbonisation of the European energy sector. This energy transition plays a key role in the European Long Term Strategy for greenhouse gas emissions reduction and for the 2050 Carbon Neutrality Trajectory, compatible with the achievement of the objectives of the Paris Agreement.

They express their support for the presentation of this Strategy and the completion of the negotiation of all proposed legislation forming part of the Clean Energy for All Europeans package before the start of COP 24, to be held in Katowice at the end of this year. They all recognise the social, economic and environmental advantages of a clean energy transition, in particular its contribution to improving air quality in Europe, and its opportunities in terms of investment, growth and jobs.

The three countries agree to set ambitious national energy-efficiency and renewable energy targets. They also agree to coordinate the elaboration of their draft national strategies and share their energy supply hypotheses.

Seeking to anticipate future electricity interconnection needs, the three countries will, alongside relevant stakeholders, articulate the scheduling of renewable

energy investments with a view to accelerating energy transition and ensuring the security of energy supply.

Portugal, France and Spain agree to work together, with the European Commission's technical support, on accelerating energy transition by considering cross-border auctions on renewable energy production and developing green bonds to finance green investments.

In order to better incentivise energy decarbonisation, the three countries will support together the implementation of a minimum carbon price.

Committed to play a leading role in Europe's energy transition, involving the strengthening of consumer rights, including the possibility to opt for totally green energy, the three countries agree to launch a trilateral consultation process for the establishment of common criteria to grant green certificates, thus promoting exchanges at a regional level, thus taking full advantage of the European financing instruments available in the new multiannual financial framework, and contributing to strengthen the ambition of the EU's Nationally Determined Contribution (NDC), to be presented in 2020.

The signatories commit to cooperate with regard to energy poverty in the region and to establish common strategies to fight it.

The three countries also agree to define common guidelines to promote the efficient use of energy networks.

***(Euro-Mediterranean cooperation)***

Portugal, France and Spain undertake to develop Euro-Mediterranean energy cooperation, and agree to work with partners in the region in developing interconnections that will open up new sources and routes for gas and electricity supply, namely by exploring the potential of renewable energy production and the improvement of energy efficiency, to the mutual benefit of the economies and the peoples of the EU and its Southern-and Eastern-Mediterranean neighbours.

**António Costa**

Prime Minister of the Portuguese Republic

**Emmanuel Macron**

President of the French Republic

**Pedro Sánchez**

President of the Government of the Kingdom

**Miguel Arias Cañete**

of Spain

European Commissioner for Climate Action and  
Energy