

Bellona Europa Open Letter: The Future TEN-E must be fit for the future and contribute to deep decarbonisation of Europe's industry

Response to the Published Roadmap for Revision of the "Trans-European Energy Infrastructure" (TEN-E) Regulation

Bellona Europa strongly supports the EU's commitment to climate neutrality by 2050, and the need to revise regulation (EU) No 347/2013 "Guidelines for Trans-European Energy Infrastructure" (TEN-E). To ensure compatibility with more ambitious climate action and the vision of a carbon neutral Europe by 2050, the end result of an overhauled TEN-E must therefore encourage and only develop the energy carriers consistent with the transition to a low-carbon world.

The highest priority must be given to electricity grid expansion, hydrogen dedicated infrastructure and CO₂ infrastructure. This will connect Europe's different renewables, facilitating their direct and effective use as well as ensuring security of supply and availability. In situations where gaseous fuels may be used, or where electricity is not used directly, only dedicated hydrogen infrastructure should be developed, and industrial clusters should be prioritised in this regard.

Bellona Europa therefore recommends that the European Commission ensures the revised TEN-E:

- 1. Keep Carbon Dioxide Transport as one of the 12 strategic trans-European energy infrastructure priorities***
- 2. Exclude unabated fossil fuel infrastructure as eligible for EU funding under the regulation***

As the ambition of the TEN-E is to improve the interconnectedness of energy across Europe, we support and appreciate the European Commission's recognition of the need for a revision as outlined in the European Green Deal and in the published [Combined Evaluation Roadmap/ Inception Impact Assessment](#). Connecting European renewable energy usage is more important than ever, on the path to a low-carbon world where European countries will have to work together to share renewable and low-carbon resources.

While the TEN-E regulation has already improved both the planning and selection processes of investment projects eligible for CEF funding – offering up useful guidance, a common legal basis and instruments for identifying priority needs for trans-European infrastructure – its current state does not sufficiently address or facilitate the European targets of climate neutrality by 2050. The ongoing revision is an opportunity to make sure that the TEN-E enables the low-carbon transition and the infrastructure to aid deep decarbonisation of industry – preserving European competitiveness and jobs in a low-carbon world.

Infrastructure is the lynchpin of economic development, and without low-carbon infrastructure the transition to a low-carbon world will significantly slow down, if feasible at all. The European Union has a natural role to coordinate low-carbon infrastructure development. And planning strategic low-carbon infrastructure on a European-wide scale is much more efficient than Member States acting independently. Building a new low-carbon Pan-European infrastructure is no small task, and funding should therefore be given relative to the importance of the task at hand. We therefore suggest that the European Commission revisit and re-evaluate its decision to cut funding to the CEF by € 2.5 billion, as outlined in the recently published recovery plan. We must ensure that available funding is sufficient and in line with the challenges ahead.

The development of low-carbon infrastructure to decarbonise industry is directly linked to the “just transition for all”, enabling job retention as well as job creation. By facilitating investments to and modernise low-carbon industry, through expansion of electricity grids, dedicated hydrogen networks and CO2 networks, we ensure the preservation of jobs in European competitive industries fit for a low-carbon world.

Bellona Europa highlights, in particular, the need for CO2 transport infrastructure for industrial decarbonisation in its below recommendations, as well as the need to exclude and move away from fossil fuels currently included in the TEN-E. We therefore urge that the European Commission:

1. Keep Carbon Dioxide Transport as one of the 12 strategic trans-European energy infrastructure priorities

As outlined by the European Commission’s European Green Deal (EGD), the TEN-E regulation will be reviewed to “ensure consistency with the climate neutrality objective”. Given the important role required to be played by Carbon Capture and Storage (CCS) technology, as outlined in the Commission’s “A clean planet for all” (2018), the TEN-E’s inclusion of cross-border carbon dioxide networks as a priority thematic area is of vital importance. We strongly appreciate the Commission’s efforts to date in working with Member States to initiate and facilitate CO2 transport PCIs under the CEF. CO2 transport and storage that serves key European industrial clusters are essential components of any plan to reduce emissions, and as outlined by Bellona Europa in [our industry decarbonisation guide](#) it complements limitations of feasibility, scale, costs and time associated with other climate action tools. This message was also strongly echoed by the European Trade Union Council (ETUC) in its [report on a Just Transition for industrial clusters](#).

CO2 transport infrastructure has great potential to facilitate job retention and growth across sectors, as well as aid carbon dioxide removal. It is therefore vital that the TEN-E ensure and enable the development of CO2 transport infrastructure that can serve many different industries, offering optionality of decarbonisation across sectors, and preserve existing industrial clusters.

It is our strong recommendation that the TEN-E continues to include “cross-border carbon dioxide networks” as a priority thematic area, as outlined in Annex I “Energy infrastructure priority corridors and areas” (12), which states that the regulation applies to the “development of carbon dioxide transport infrastructure between Member States and with neighbouring third countries in view of the deployment of carbon dioxide capture and storage”.

The current TEN-E has already aided the advancement of industrial decarbonisation, notably projects taking place in Rotterdam and Ireland, as well as the Northern Lights project. The Port of Rotterdam project is the most advanced EU project for widespread industrial decarbonisation, with CO2 transport and storage playing a key part. With some of the strictest emission reduction targets for industry, the Netherlands have benefited from European aid and support in the development of CO2 transport and storage networks, facilitating a continuation of high ambition levels. The PCIs which include CO2 transport and storage has enabled the clear “business case” of low-carbon industry, and made it clear that decarbonisation can and should happen now. Postponement of action is not an option, and we need to invest today to ensure the solutions of tomorrow.

Ways in which the TEN-E could be improved to support industrial decarbonisation:

- In Annex II (4) “concerning carbon dioxide”, we recommend that the European Commission removes the exclusion included in point (b), where it is stated that it does not include “infrastructure within a geological formation used for the permanent geological storage of carbon dioxide...and associated surface and injection facilities”
- Ensure the inclusion of all CO2 transport modalities – pipeline, ship, barge, train, truck and related docking facilities – in the revised TEN-E. There should also be an accompanying effort to harmonise relevant legislative frameworks, such as the EU ETS

2. Exclude unabated fossil fuel infrastructure as eligible for EU funding under the regulation

The EU should not be funding projects contributing to increased levels of carbon dioxide in the atmosphere, and a TEN-E consistent with the climate neutrality objective cannot offer funding to fossil fuels projects, e.g. unabated fossil gas projects.

In order to align TEN-E with the EU Green Deal, we therefore ask the European Commission only to consider funding for projects which meet the criteria outlined in the Sustainable Finance Taxonomy, as outlined by its [Technical Expert Group](#). We cannot continue to term projects relying on fossil fuels as “Projects of Common Interest” when they are in direct contrast, and harmful, to emission reduction plans to reach climate neutrality by 2050.

Ways in which the TEN-E could be improved to exclude funding of fossil fuel infrastructure:

- Amend Annex I (2) and (3) as well as Annex II (2) and (3). A revised TEN-E should clearly set out that gas and oil are **no longer** priority corridors, and can in turn not benefit from CEF funding – in line with the proposed EU Sustainable Finance Taxonomy

For more information, please contact:



Jonas Helseth, Director
Jonas@bellona.org



Lina S. Nagell, Sustainable Economy Coordinator
Lina@bellona.org