

Official presentation of the 'Completing Europe'  
report during a high-level meeting in Brussels

# Europe needs an energy highway

**The EU's political steps to reduce its energy dependence need to be accompanied by investments in the energy infrastructure. A good starting point in this process may be the construction of the North–South Corridor of energy, transportation and telecommunications, as promoted in a report presented by Central Europe Energy Partners (CEEP) and the Atlantic Council.**

**European institutions have declared their interest in integrating proposals from the report into future European legislation and policy. On March the 24th, a high-level conference took place in Brussels to discuss these issues.**

The conference's keynote speaker was Maroš Šefčovič, European Commission Vice-President for Energy Union,. The other presenters included Dominique Ristori, Director General of European Commission's DG Energy; Prof. Jerzy Buzek, Chairman of the European Parliament's ITRE Committee; and Massimo Cingolani, Managerial Advisor in Operations Directorate, European Investment Bank. Paweł Olechnowicz and Jan Kulczyk represented CEEP, with David Koranyi speaking on behalf of the Atlantic Council.

The discussion focused on the 'Completing Europe' report's main recommendation to create an integrated set of energy, transportation and digital links across Central Europe. *"I am happy that our concept was incorporated into the Energy Union Package of the 25<sup>th</sup> of February, 2015. Our idea is to be able to easily drive an 'energy highway' from North to South and back again. We need more investments in this area, along with a holistic approach to this challenge, as, at the moment, too many EU Member States remain energy 'islands', and therefore are impeded from freely trading energy and energy resources. This results in high prices, especially in Central Europe, compared to the Western part of the continent,"* **declared Paweł Olechnowicz, Chairman of the Board of Directors of Central Europe Energy Partners.**

Starting from the North–South Corridor, the EU should move even further towards providing energy security, resilience and competitiveness of the energy market from the broad European, and not only regional perspective. *"There can be no union without the economic integration. The EU's strategic goal must be lowering the energy prices in order for the European economy to remain competitive in the globalized world of today. In order to achieve this goal, we must act jointly rather than as 28 separate energy systems. By developing the renewable energy sector and unifying the potentials of Western, Central and Eastern Europe, and finally, by integrating Ukraine with the EU energy systems may we quickly and efficiently enhance the competitiveness and increase the energy security of the whole Europe. The Europe which in 1951 commenced its integration as the European Coal and Steel Community*

*and today may secure its economic position by becoming an energy community,” stressed Jan Kulczyk, Vice-Chairman of the Board of Directors of Central Europe Energy Partners.*

The set of energy, transportation, and digital links is commonly referred to as the North–South Corridor. It brings together the Baltic, Adriatic and Black Seas, serving as the backbone of a stable energy market in Europe. *“For the energy market to work effectively, political steps and treaties will not be enough. It also necessitates transmission infrastructure – i.e. terminals, gas and oil pipelines, as well as integrated systems for the transmission of electricity. We reached consensus regarding the fact that better energy integration translates into more liquid and diversified markets, and supports competition. That is why the creation of the North–South Corridor is critical for the single European market, and indeed the security and prosperity of the whole of Europe and the transatlantic community,” asserted David Koranyi, Director of the Eurasian Energy Futures Initiative at the Atlantic Council.*

According to the study completed by CEEP and the Atlantic Council, to build a real, coherent and integrated energy market, it is necessary to invest in energy networks. The North–South Corridor would establish a powerful set of economic arteries, including energy pipelines and power lines, highways and railways, and telecommunication links extending from Poland’s and Lithuania’s Baltic coast through the Czech Republic, Slovakia and Hungary, to the coast of Croatia, with further possibilities to connect with the Southern Gas Corridor, the South of Europe, down to Turkey. This would largely improve the EU’s economic integration and energy security, as LNG terminals and its networks of gas and oil lines and electricity grids would diversify the sources of energy for all Central European States, and free consumers from relying on a single supplier.

The total cost of backbone, strategic projects presented in this report, equals EUR 50.5 billion. From this amount, €27 billion would be allocated for the cost of projects for the energy sector (oil, gas, electricity), €20 billion for transport, and €3.5 billion for telecommunications. These figures are only a small portion of the infrastructure investment needs up to 2020, in the range of €1.5-2 trillion (or an average of €150–200 billion annually), outlined by the European Commission in 2011. To provide a strategic and long-term energy security in Europe will cost about one-third of the annual budget of the European Union for infrastructure.

**The ‘Completing Europe’ report is available at**

[www.ceep.be/www/wp-content/uploads/2014/11/Completing-Europe\\_Report.pdf](http://www.ceep.be/www/wp-content/uploads/2014/11/Completing-Europe_Report.pdf)

### **About CEEP**

Central Europe Energy Partners represents the interests of the energy and energy-intensive companies from Central Europe, in order to strengthen the region’s energy security within the framework of a common EU energy and energy security policy. It is the first major body to represent the energy sector companies from the region at the EU level. CEEP is an international non-profit association, with its headquarters in Brussels and a branch in Berlin.