

BRIEFING FOR COREPER: Debrief on EU-US Energy Council (Brussels, 12 July 2018)

1. Scene setter

EEAS and COM are asked to debrief MS on the EU-US Energy Council held in Brussels on 12/7. This request by the AT PRES for a debrief in COREPER follows the debrief in the Energy Working Party on 17/7 [REDACTED] a debrief in Washington for Energy Councillors on 17/7, [REDACTED].

[REDACTED]

The Energy Council was a constructive, first encounter with the Trump Administration at cabinet level on energy issues. There was a good degree of agreement esp. to re-energise the Working Groups; to hold Energy Council meetings every year; to enhance dialogue and cooperation on energy cybersecurity, innovation and technology; and to have more engagement with industry in the framework of the Energy Council. [REDACTED]

[REDACTED] *The EU recalled its support for Ukraine, that Ukraine's transit role was a strategic EU priority [REDACTED]*

[REDACTED] *The EU recalled the need to remove US LNG export licencing restrictions and to improve US LNG infrastructure.*

[REDACTED]

The EU side was represented by the HR/VP, VP Šefčovič and Commissioner Arias-Cañete. The AT PRES will also be present by Federal Minister for Women, Families and Youth Juliane Bogner-Strauß, who is replacing the Federal Minister for Sustainability and Tourism.

3. Speaking points

DSG EEAS

- Context
- Overall this was a good, constructive, first meeting of the Energy Council with the Trump Administration.
- There was:
 - agreement to re-energise the work in the Energy Council Working Groups and to hold Energy Council meetings on a yearly basis.
 - agreement to examine how to enhance cooperation on cybersecurity in the energy sector.
 - agreement to enhance cooperation on innovation and technology and to examine how to engage more with industry in the framework of the Energy Council.
- [REDACTED]
[REDACTED] the EU recalled the need to remove licencing restrictions and to improve LNG infrastructure in the US to enhance US LNG exports to the EU as the EU enhances its own gas infrastructure.
- And the EU also recalled its support for Ukraine and Ukraine's transit role as a strategic EU priority [REDACTED].
- [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

- Opening remarks

The **HR/VP** in her opening remarks stressed the shared EU-US interests in energy cooperation which was essential to security and also created jobs on both sides of the Atlantic. She underlined the importance of EU and US cooperation to preserve open, flexible and transparent global energy markets, and called upon the US to remain engaged in multilateral fora. She highlighted the mutual interest in LNG and the importance of infrastructure developments on both sides of the Atlantic, as well as the need to remove the regulatory restrictions that requires the licencing of US LNG exports to the EU.

The HR/VP also recalled the good co-operation on Ukraine, the possibility of further co-operation on energy vulnerable regions of the world and that, despite the different positions on the Paris Agreement, the EU and US should co-operate on clean and innovative energy technologies.

US Secretary of State Pompeo

This was followed by opening remarks from US Secretary Perry, Commission Vice President Šefčovič and Commissioner Arias Cañete for which I will pass the floor to the Commission.

• **[REDACTED] DSG Commission**

Thanks for the floor Christian.

To follow on, **Secretary of Energy Perry** [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

VP Šefčovič highlighted the progress to date with the Energy Union Strategy and confirmed that the EU wanted to work more closely with the US on energy innovation and technology. He called on the US to remove the licencing restrictions on US LNG exports to the EU. He underlined that close EU-US cooperation had helped encourage Ukraine to undertake energy sector reforms and noted the first trilateral meeting was planned for 17 June. He also underlined the importance of completing the Southern Gas Corridor.

Commissioner Arias-Cañete confirmed the EU priority of having reliable and diverse energy supplies. He welcomed continued US support for the KrK LNG project and the Southern Gas Corridor. He underlined the significant progress in the EU on the key interconnectors and the considerable energy potential of the Eastern. Mediterranean. He highlighted that, in fora such as CEM and MI, if the EU and US led the efforts to set new global standards, they would reap huge benefits in terms of growth and jobs. If they did not, then others would be only too happy to do so. On ITER, he urged the US to remain engaged.

Austrian Federal Minister Bogner-Strauß [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED].

The discussion was then conducted in the two main blocks foreseen. The following key issues were discussed further:

LNG: The EU stressed that removing the US LNG export licencing regime to a key partner like the EU would make a real difference to EU energy security. There was also recognition of the need to complete infrastructures in both the EU and the US.

On Ukraine: the need to push Ukraine on reform, particularly on the unbundling of Naftogaz so that reliable investors would help operate and modernise the gas transit infrastructure. The EU also underlined that it was keen to continue trilateral EU-US-Canada cooperation on energy resilience in Ukraine.

On Nord Stream 2:

The EU recalled that there was no EU consensus on NS2 but that the Commission had made proposals that were still under discussion with the Member States to ensure EU law applied.

Both sides were keen to cooperate on energy cybersecurity to improve resilience and expert level discussions could be foreseen on this subject. Both sides were also open to more collaboration on innovation and technology and, on ITER, the EU pressed the US to continue to be fully engaged.

Both sides said they would welcome more input from the private sector, with the exact format to be considered in advance of the next Energy Council.

Both sides agreed on the importance of organising meetings of the Working Groups that should report to the next Energy Council meeting, which should be scheduled to take place in the US next year.

[REDACTED]

Contact points: [REDACTED] EEAS Americas1, [REDACTED]
[REDACTED] DG ENER A3, [REDACTED]

Annex 1: Joint Press Release

The European Union and the United States of America held their eighth Energy Council

12 July 2018, Brussels

The eighth EU-U.S. Energy Council met today in Brussels. This was the first meeting of the Energy Council during the Administration of President Donald J. Trump and allowed for a substantial exchange of views, in an open and constructive atmosphere, on the opportunities for transatlantic energy cooperation.

Today's discussions focused on energy infrastructure, innovation and transitions as important means of promoting transparent, open and secure energy markets. In this context the meeting discussed the modernisation, development and resilience of energy infrastructure, including the importance to critical infrastructure protection through cybersecurity; clean energy innovation and other technology cooperation; and engagement with industry. Regarding energy security, the meeting addressed issues related to energy policy and markets; diversification of energy sources, suppliers and routes; cooperation relating to reforms in Ukraine's energy sector and to its transit role; and cooperation on energy vulnerable regions. The participants encouraged the working groups under the Energy Council to meet again shortly to take forward EU-U.S. cooperation. They looked forward to the Energy Council meeting again in due course.

The Energy Council was co-chaired by High Representative of the European Union for Foreign Affairs and Security Policy/Vice-President of the European Commission, Federica Mogherini, Vice-President of the European Commission in charge of Energy Union, Maroš Šefčovič, Commissioner for Climate Action and Energy, Miguel Arias Cañete, U.S. Secretary of State, Michael R. Pompeo and U.S. Secretary of Energy, Rick Perry. Federal Minister Juliane Bogner-Strauß represented the Presidency of the Council of the European Union.

Background

The EU-U.S. Energy Council was established in 2009 to promote transparent, open and secure global energy markets; foster policy and regulatory cooperation on efficient and sustainable energy use; and pursue joint research and development on clean energy and energy efficiency technologies.