## **European Commission - Press release**





# Commission proposes upgrade of the EU's energy infrastructure to lower bills and boost independence

Brussels, 10 December 2025

The backbone of European energy system, the grids infrastructure, will be modernised and expanded to unleash its full potential. The Commission's **European Grids Package** and the **Energy Highways** initiative, proposed today, will enable energy to flow efficiently across all Member States, integrating cheaper clean energy and accelerating electrification. This will help **lower energy prices** and **support affordable living for all Europeans.** It will ensure **secure and reliable supply** as Europe moves away from Russian energy imports to achieve **energy independence**.

The Grids Package marks a **new approach** to energy infrastructure by bringing a truly European perspective on infrastructure planning, while accelerating permitting procedures and ensuring a fairer division of costs regarding cross-border projects. The new approach will allow **the best use of our existing energy infrastructure** and, in parallel, **accelerate the development of grids and other physical energy infrastructure across the EU**.

To future-proof the grid infrastructure, the Commission is proposing additional ways of financing. Cost-sharing and bundling are such examples: increasingly integrated cross-border energy infrastructure **deliver benefits beyond the territories where they are built**. This makes fair and transparent cost-sharing essential to avoid disproportionate burdens on local consumers. To tackle this, the **European Grids Package** aims to provide more transparency and fairness in the way costs and benefits are assessed. Bundling infrastructure projects can also make financing easier, for example through the establishment of special purpose vehicles, thereby attracting additional investment.

Announced by President Ursula **von der Leyen** in her <u>State of the Union 2025</u>, the 8 Energy Highways address the **most urgent infrastructure needs** that require **additional short-term support and commitment for implementation**. They were selected based on their **strategic importance to complete the Energy Union** and on the **level of political support from the EU** needed for their successful implementation.

The Commission is committed to immediately **fast-tracking the Energy Highways through enhanced political coordination**, drawing on the Regional High-Level Groups, mobilising support of European coordinators and working closely with the Energy Union Task Force, extending outreach beyond EU Member States where necessary. Each project will be prioritised at EU level, and the Commission will support Member States in giving them the **same priority nationally**.

#### **Next steps**

The legislative proposals will now pass to the European Parliament and the Council under the ordinary legislative procedure. In parallel, the Commission will continue collaborating closely with Member States and all relevant stakeholders to implement key cross-border energy infrastructure projects - as recently published under the <u>second Union list on Projects of Common Interest and Projects of Mutual Interest</u>. Such collaboration will be pivotal in view of delivering swiftly on the Energy Highways initiative, as well as on the acceleration of permitting for renewable energy projects, storage projects and recharging stations.

## **Background**

Despite the progress achieved within the current EU legal framework, the EU has not reached the level of interconnectivity among Member States that would enable a genuine Energy Union, as several Member States are not on track to meet the 15% interconnection target by 2030. **The cost of inaction is staggering**: in 2022, fossil fuels had the largest share of gross available energy use

(70%) in the EU, with 98% of all oil and gas used in Member States being imported. This exposes the EU to price volatility and geopolitical risks.

In 2024, industrial electricity prices in the EU reached €0.199 per kWh, compared to €0.082 in China and €0.075 in the US. In the first half of 2025, the average electricity price for EU consumers varied from €0.3835 per kWh in Germany to €0.1040 per kWh in Hungary, while non-household electricity prices ranged from €0.2726 per kWh in Ireland to €0.0804 per kWh in Finland. A key reason for this disparity is the insufficient level of investment in and integration of our infrastructure.

Scaling up financial support is hence key. As part of the <u>2028-2034 Multi-annual Financial Framework</u>, the Commission proposed a five-fold increase of the CEF Energy budget from €5.84 billion to €29.91 billion. Public funding will be complemented by actions to leverage private investments in the upcoming **Clean Energy Investment Strategy**.

## For more information

**Questions and answers** 

<u>Factsheet</u>

Communication on European Grids Package - Energy - European Commission

Proposal for revised Trans-European Network for Energy (TEN-E) Regulation - Energy

<u>Proposal for revised Directive to accelerate permit-granting procedures of infrastructure projects - Energy</u>

<u>Guidance on efficient grid connections - Energy - European Commission</u>

Guidance on Contracts for difference - Energy - European Commission

European grids - European Commission

PCI interactive map

IP/25/2945

#### Quote(s):

"The European Grids Package is more than just a policy. It's our commitment for an inclusive future, where every part of Europe reaps the benefits of the energy revolution: cheaper clean energy, reduced dependence on imported fossil fuels, secure supply and protection against price shocks. It symbolises our determination to overcoming challenges through unity, delivering a true EU response to a challenge of EU importance."

Teresa Ribera, Executive Vice-President for Clean, Just and Competitive Transition - 10/12/2025

"A truly interconnected and integrated energy system is the foundation of a strong and independent Europe. To achieve it, we need an energy infrastructure network of cables, pipes and grids that is up to date, fully interconnected, and that enables clean, affordable, homegrown energy to flow freely and securely to every corner of our Union. This is exactly what we are proposing today: a common European energy project that supports affordable living, economic competitiveness, security and decarbonisation."

Dan Jørgensen, Commissioner for Energy and Housing - 10/12/2025

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