## Commission welcomes WTO ruling confirming lawfulness of core principles of the EU third energy package

The WTO panel did not find basis to the claim concerning the alleged EU discrimination in its "Third Energy Package" against Russian pipeline transport services, service suppliers, or against Russian natural gas. The panel ruled in favour of the EU concerning the rules on "unbundling", i.e. the requirement to separate energy supply and generation from the operation of transmission networks, as well as on liquefied natural gas (LNG) and on upstream pipeline networks. This is an important positive outcome for the EU, as it secures the core elements of the Third Energy Package.

The Commission will now analyse the ruling in detail, in particular as regards a limited number of issues on which the WTO-compatibility of EU energy policy has still not been recognised.

## **Background**

The Third Energy Package consists of EU legislation for integrating the internal energy market. It includes rules on, in particular, the separation of energy supply and generation from the operation of transmission networks (unbundling), non-discriminatory access to energy infrastructure and independence of national energy regulators. An integrated and competitive EU energy market is the most cost-effective way to ensure secure and affordable supplies to EU citizens and business with a choice of energy supplier.

## For more information

<u>Panel report</u>

History of the case

EU third energy package: MEMO and EU Market Legislation

WTO dispute settlement