

## EU grants another subsidy to Baltic Pipe under the CEF 2018

**The Baltic Pipe Project has been granted another subsidy under the Connecting Europe Facility Programme (CEF). The European Commission's proposal to grant financial assistance was approved by the Member States on 16 July 2018.**

The subsidy under the Connecting Europe Facility (CEF) for preparatory works within the Baltic Pipe project was awarded in the CEF Energy 2018 call for proposals launched by the European Commission in March this year.

The action titled "Reinforcement of the national gas transmission systems in Poland and Denmark for the Baltic Pipe" will be implemented by the Polish and Danish gas transmission system operators - GAZ-SYSTEM and Energinet, and includes engineering works up to obtainment of all necessary building permits for the onshore gas pipelines in Denmark and Poland.

The maximum amount of the subsidy granted for the entire action is EUR 18.3 million.

### Connecting Europe Facility (CEF)

The Connecting Europe Facility is a key EU finance facility supporting the economic growth, employment and competitiveness through targeted infrastructural investments at the European level. It supports the development of efficient, sustainable and well interconnected trans-European transport, energy and telecommunication networks.

The Baltic Pipe Project has already received financial support under the CEF program. In 2015, a subsidy under CEF Energy was granted for analytical work and feasibility study development. It was followed by another grant in 2017 awarded to the activity titled "Preparatory works for the Baltic Pipe Project up to obtainment of all necessary permission(s) in Poland and in Denmark". In May this year GAZ-SYSTEM announced that the grant agreement has been signed.

### Project of Common Interest (PCI)

In November 2017, the European Commission have classified the Baltic Pipe project as a Project of Common Interest (PCI). This status is assigned to infrastructural projects of special importance for the improvement of the security and the level of diversification of gas supplies in Europe, and building of an integrated and competitive gas market. The Baltic Pipe project was included in the 3rd list in extended scope within the confines of the "Plan of action with regard to interconnectors in the power market of the Baltic States for gas" (BEMIP). The project received the PCI status for the third time. Earlier, the Baltic Pipe project was included in the PCI lists adopted in 2013 and subsequently in 2015.

**The PCI status of the Baltic Pipe project together with the funds granted under the CEF programme stress the importance of the project for the accomplishment of the goals of the energy policy of the European Union, such as strengthening of competition, integration of gas markets, improvement of the security of supplies, and effective implementation of the sustainable development principles.**

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The Baltic Pipe is a strategic infrastructural project, the purpose of which is to create a new gas supply corridor on the European market. It will enable for the first time in history to transport gas directly from its deposits in Norway to the markets of Denmark and Poland, as well as to customers in the adjacent countries.

The main objectives of the project include strengthening of the diversification of supplies, gas market integration, price convergence, and the security of supplies primarily in Poland and Denmark and secondly in Sweden, Central and Eastern Europe and the Baltic region.

More information can be found at [www.baltic-pipe.pl](http://www.baltic-pipe.pl).



*GAZ-SYSTEM is a strategic company for the Polish economy. It is responsible for the transmission of natural gas, manages the most important gas pipelines in Poland and owns the President Lech Kaczyński LNG Terminal in winouj cie.*

*As part of the 2015-2025 investment programme, GAZ-SYSTEM is constructing over 2000 km of new gas pipelines in the western, southern and eastern parts of Poland. Over a dozen new gas pipelines are under construction within the North-South Gas Corridor and the compressor station in K dzierzyn Ko le, as well as interconnections with Lithuania and Slovakia. Onshore gas pipelines are planned to connect the planned FSRU floating terminal in the Gulf of Gdansk with the national transmission system. The LNG Terminal in winouj cie is also being extended, as a result of which the regasification capacity of this facility will be increased by more than a half.*

*The company is also implementing one of the most important infrastructural projects in the country - the Baltic Pipe project which consists in the construction of a two-way offshore gas pipeline connecting Poland and Denmark, expansion of the local transmission network and three gas compressor stations.*