

Energy Infrastructure: EU Projects of Common / Mutual Interest

Achieving EU climate targets through the development of cross-border energy projects, including between EU and non-EU countries

10 December 2025



The European Union (EU) is committed to building a robust, integrated and sustainable energy infrastructure that supports its climate goals, energy security and market integration. Central to this vision is the Trans-European Networks for Energy (TEN-E) framework, which identifies, promotes and supports key cross-border energy projects within the EU as 'Projects of Common Interest' or 'PCIs'. The latest legislative update, Regulation (EU) 2022/869 (revised TEN-E Regulation), modernises the criteria and processes for identifying PCIs and introduces the concept of 'Projects of Mutual Interest' or 'PMIs' which are key cross-border energy projects between the EU and non-EU countries.

This briefing explores the purpose, selection criteria, and significance of PCIs and PMIs in light of the recently adopted 2nd PCI / PMI list. It also explains the key benefits to project developers and their investors of having a project listed on the PCI / PMI list, including enjoying the advantages of priority planning status and EU funding eligibility.

Key issues

- 1 PCIs and PMIs benefit from several advantages including: priority status, streamlined permit granting procedures and access to EU funding.
- 2 The revised TEN-E policy makes fossil fuel infrastructure ineligible (except for certain projects in Malta and Cyprus due to their energy isolation).
- 3 The PMI list covers 25 projects, with Ukraine, the UK, Switzerland, the Western Balkans, North African countries, Norway and Georgia.
- 4 Project promoters can apply for CEF grants for studies and/or works, while the PCI / PMI status helps with attracting private investment.

Background: The TEN-E Policy

PCIs are key cross-border infrastructure projects that link the energy systems of EU countries. They are intended to help the EU achieve its energy policy and climate objectives: affordable, secure and sustainable energy for all citizens, and the long-term decarbonisation of the economy in accordance with the Paris Agreement. The concept of PCIs was first introduced in 2013 under the TEN-E Regulation¹, which was revised in 2022 to align with the climate neutrality objectives of the European Green Deal.

The 2013 TEN-E Regulation has met many of its original objectives in terms of improving physical interconnection between national energy markets and guaranteeing security of supply. The revised TEN-E Regulation continues to ensure that new PCIs respond to these objectives, but places much greater emphasis on developing the infrastructure to consolidate clean energy technologies. It also put an end to policy and financial support for fossil fuel infrastructure, by removing natural gas and oil projects from future PCI lists (except for natural gas projects in Malta and Cyprus that have been granted a derogation as the last two isolated energy systems in the EU).

Priority corridors and thematic areas

To ensure that the most relevant and urgent infrastructure needs are considered when selecting PCIs and PMIs, the TEN-E policy focuses on **11 priority geographical corridors** covering:

- electricity
- offshore grids
- hydrogen and electrolyser infrastructure development

and **3 priority thematic areas** covering:

- smart electricity grids
- smart gas grids
- CO₂ networks

Although the PCI lists have included projects involving third countries since 2013, the revised TEN-E Regulation distinguishes these projects by introducing the concept of PMIs. PMIs are cross-border energy infrastructure projects between the EU and non-EU countries, which significantly contribute to the energy and climate policy objectives of the EU and the third country in question. Only electricity transmission, offshore hybrid interconnectors, hydrogen transmission and CO₂ networks, possibly linked to storage projects, can be selected as PMIs.

Since 2023, under the revised TEN-E Regulation, the European Commission (the Commission) has adopted a list of PCIs and PMIs to acknowledge the strategic role of these projects in increasing the EU's competitiveness and decarbonisation, and enhancing its energy security and independence.

¹ Regulation (EU) No 347/2013 of the European Parliament and of the Council of 17 April 2013, on guidelines for trans-European energy infrastructure.

Key benefits of PCI / PMI status

PCIs / PMIs benefit from:

- accelerated planning and permit granting
- a single national competent authority (one-stop shop) for obtaining permits within 3.5 years
- improved regulatory conditions, including incentives and rules for the allocation of costs across borders
- lower administrative costs due to streamlined environmental assessment processes
- increased stakeholder engagement via consultations
- increased visibility to investors
- access to EU funding

The priority status of these projects and the national significance attributed to them increases their visibility to potential investors, while also conferring credibility and reliability. The regulatory, financial and reputational advantages afforded to these projects by the official endorsement of PCI / PMI status can greatly improve their chances of securing investment and can enhance their bankability. Since 2013, many PCIs / PMIs have secured financial support from international financial institutions such as the EIB, the EBRD and the World Bank.

Priority status – Permit granting

One of the most important advantages of PCI/PMI status is that Member States are required to grant these projects the status of "the highest national significance possible", and treat them as such in the context of permit granting, spatial planning and any environmental assessment procedures. The revised TEN-E Regulation emphasises that PCIs "*should be implemented as quickly as possible and ... closely monitored and evaluated,*" while "*the permit granting process should neither lead to administrative burdens which are disproportionate to the size or complexity of a project, nor create barriers to the development of the trans-European networks and market access.*"

That said, it should be noted that any time limits set by the revised TEN-E Regulation must be without prejudice to obligations provided for in EU law, as well as administrative appeal procedures and judicial remedies before EU or national courts or tribunals.

The regulation divides the permit granting process into two phases:

- (a) **the pre-application procedure**, covering the period between the start of the permit granting process and acceptance of the submitted application file by the national competent authority (NCA), which must take place within an indicative period of **24 months**; and
- (b) **the statutory permit granting procedure**, covering the period from the date of acceptance of the submitted application file until the comprehensive decision has been made, which must not exceed 18 months.

The NCA must ensure that the combined duration of the two procedures does not exceed a period of **42 months**, but, in exceptional circumstances,

the NCA is able to extend the duration of the two procedures by up to nine months. Any decision for extension of the time limits must be notified to the relevant Regional Group, including the measures taken, or to be taken, for the conclusion of the permit granting process, with the least possible delay.

Connecting Europe Facility

The Connecting Europe Facility (CEF) for Energy is an EU funding programme which implements the Trans-European Networks for Energy policy. It has provided EUR 8 billion for flagship projects since 2014.

Chapter 7 of the TEN-E Regulation deals with the financing of the PCIs and access to CEF funding.

Project promoters can apply for CEF grants for studies and/or works:

- Grants for studies cover part of the expenses incurred in the preparation of the implementation of a PCI or a PMI. This includes activities such as preparatory, mapping, feasibility, evaluation, testing and validation studies, including software and other technical support measures. It also includes actions taken to define and develop a project and decide on its site/route identification, financing and preparation of the financial package.
- CEF grants for works cover part of the CAPEX and are budget-based mixed actual cost grants. Grants are based on actual costs incurred, but may also include other types of funding, such as unit costs, flat-rate costs, lump sum costs, or contributions to these, or financing not linked to costs. This means that only certain types of costs (i.e., eligible costs) and costs that were actually incurred for the project, and not the budgeted costs, will be reimbursed.

The maximum co-financing rate for both studies and works is **50%**.

A project promoter can apply for a higher project funding rate (**up to 75%**) if the project (i) provides a high degree of regional or EU-wide security of supply; (ii) strengthens the solidarity of the EU; or (iii) comprises highly innovative solutions.

CEF calls for proposals are launched and managed by the European Climate, Environment and Infrastructure Executive Agency (CINEA) and the grants are not subject to State aid rules. CINEA usually launches one CEF call each year, with the selection process being concluded within 8-9 months with the signing of a grant agreement.

To apply for CEF grants for works, project promoters must submit – in addition to a business plan and a cost-benefit analysis (CBA) – a cross-border cost allocation (CBCA). The CBCA allows national regulatory authorities (NRAs) to jointly scrutinise PCI investment requests, to determine which countries will contribute to financing them, and in what proportion. Cost-sharing agreements can facilitate the implementation of PCIs if the territorial distribution of benefits and costs is not well-aligned.

PCIs that opt not to be subjected to regulatory restrictions (e.g., regulated third-party access) and go for a purely commercial business model are not eligible for CEF funding. They could, however, receive aid from relevant Member States, but this would be subject to applicable EU State aid rules, unlike CEF funding.

Finally, the revision of the TEN-E Regulation brought about a significant change in CEF project eligibility. Until 2022, storage PCIs were not eligible for CEF grants for works. However, under the revised TEN-E Regulation, storage projects have equal access to these grants.

Eligibility Requirements and Criteria

PCIs and PMIs must feature overall benefits outweighing their costs and meet general and specific criteria in relation to their cross-border impact, sustainability, market integration, security of supply, competition and contribution to the decarbonisation of the energy sector.

General criteria

Article 4(1) of the revised TEN-E Regulation provides that a **PCI** "shall meet the following general criteria:

- *the project is necessary for at least one of the energy infrastructure priority corridors and areas;*
- *the potential overall benefits of the project, assessed in accordance with the relevant specific criteria [...], outweigh its costs, including in the longer term;*
- *the project meets any of the following criteria:*
 - i. *it **involves at least two Member States** by directly or indirectly, via interconnection with a third country, crossing the border of two or more Member States;*
 - ii. *it is **located on the territory of one Member State**, [...], and has a **significant cross-border impact** as set out in point (1) of Annex IV."*

For a project to qualify as a **PMI**, it must contribute significantly to the decarbonisation objectives of the Union and those of the third country involved, including through the integration of renewable energy into the energy grid and the transmission of renewable generation to major consumption centres and storage sites. In addition, as per recital 20 of the revised TEN-E Regulation, "*a high level of convergence of the policy framework should be presumed for the European Economic Area or Energy Community Contracting Parties or can be demonstrated in the case of other third countries through bilateral agreements that include relevant provisions on climate and energy policy objectives on decarbonisation.*"

In both cases, the potential overall benefits of the project must outweigh its costs.

Specific criteria

Article 4(3) of the revised TEN-E Regulation sets out the specific criteria for each energy infrastructure category taking into consideration the following factors that are further detailed in Annex IV of the Regulation:

- (a) the level of sustainability or of transmission of renewable energy generation to major consumption centres and storage sites;
- (b) market integration, competition and system flexibility;
- (c) security of supply, interoperability and secure system operation.

For instance, pursuant to Article 4(3)(a), electricity transmission projects must "*contribute significantly to sustainability through the integration of*

renewable energy into the grid, the transmission or distribution of renewable generation to major consumption centres and storage sites, and to reducing energy curtailment, where applicable, and contribute to either market integration and/or security of supply."

Similarly, carbon dioxide transport and storage projects must contribute to all the following specific criteria: (i) avoiding carbon dioxide emissions while maintaining security of supply; (ii) increasing the resilience and security of transport and storage of carbon dioxide; (iii) the efficient use of resources, by enabling the connection of multiple carbon dioxide sources and storage sites via common infrastructure and minimising environmental burden and risks.

Steps and timeline

In October of the year prior to the adoption of the list the Commission opens a call for projects to be submitted as candidates for the PCI / PMI list. Project promoters can participate in the call by applying via an online submission platform. For projects required to be in the relevant Ten-Year Network Development Plan (TYNDP), the data is directly retrieved from the TYNDP project sheets, thus expediting and simplifying the process.

During the first quarter of the following year, the Commission (specifically Unit C.4 Infrastructure and Regional Cooperation (DG ENER.C.4)), kicks off the process by holding Regional Group Meetings per corridor (e.g., north, south etc.) and thematic group (e.g., hydrogen, electricity etc.). Chaired by the Commission, the Regional Groups include representatives from EU countries, transmission system operators and their European networks, project promoters and national regulatory authorities, as well as the Agency for the Cooperation of Energy Regulators (ACER).

At the first meeting Member States are invited to identify and present the needs of their energy system. Subsequently, these needs will have to be approved by the Commission. Project promoters will be invited to present their candidate project(s) based on the needs identified; how those needs are addressed; and how they meet the general and specific criteria set out above. Member States should also express their support for the relevant project(s).

Between February and June of the same year, project promoters will have to obtain and prepare all relevant documents and submit them to the Commission in the context of the applications evaluation.

Around July, the Commission will present a first draft of the PCI / PMI list to the representatives of all Member States. It is worth noting that the PCI / PMI list is adopted in the form of a delegated act. Delegated acts are regulations prepared and adopted by the Commission after consulting expert groups, consisting of representatives from each Member State, which meet on a regular or occasional basis – hence the Regional Group Meetings and the July meeting.

The draft list is then submitted to ACER, which then has two months to issue its (non-binding) opinion. Subsequently, the Commission can further review the draft list and, a few weeks later, it will present the final draft list to the 'High-Level Decision-Making Meeting', which is attended by Commission officials and representatives of Member States.

Once finalised, the Commission adopts the delegated act which is submitted to the European Parliament and the Council for scrutiny. Both

co-legislators have two months to either accept or reject the list in its entirety, but they cannot amend it. This process can be extended by two months if requested by either of the co-legislators. An agreement between Parliament and the Council is not necessary to revoke a delegation or to object to an individual delegated act. An objection from either would prevent it from entering into force.

2nd PCI / PMI list

On 1 December 2025, the Commission published the delegated act which granted the status of Projects of Common Interest (PCIs) and Projects of Mutual Interest (PMIs) to **235 cross-border energy projects** – the second such list since its launch in 2023. As mentioned above, the European Parliament and Council have two months (extendable to four) to decide whether to accept or reject the list in its entirety. In the Council, an objection to a delegated act requires a qualified majority, while at European Parliament level the competent committee tables a motion to the plenary, and the plenary vote requires a majority of its component members. If, within this timeframe, neither the Parliament nor the Council rejects the proposal, the list will enter into force, replacing the [1st PCI/PMI list](#).

The list of selected PCIs and PMIs includes:

- **113 electricity, offshore and smart electricity grid projects** that will be essential for integrating the growing share of renewables.
- **100 hydrogen and electrolyser projects** which will play a major role in integrating and decarbonising the EU's energy system.
- **17 carbon transport infrastructure projects** that will advance the development of the market for carbon capture and storage.
- **3 smart gas grids projects** to digitalise and modernise the natural gas network.
- The continued inclusion of **2** long-standing projects linking **Malta and Cyprus** to the mainland European gas network.

It is worth noting that the first PCI / PMI list included 166 projects, many of which are expected to be commissioned between 2027 and 2030, enabling the relevant EU countries to reach their goal of installing 111 GW of offshore renewable energy by 2030 and more than 300 GW by 2050.

Based on a recent Commission study, investment needs in European energy infrastructure – electricity, hydrogen and CO₂ networks – amount to EUR 1.5 trillion until 2040. The selected PCIs / PMIs and the related expected investment volumes will contribute to reaching the needs identified for 2040.

Clifford Chance has extensive experience in advising candidate projects on their inclusion in the PCI / PMI list, as well as PCIs / PMIs on applying for CEF grants. We can provide guidance and valuable insights into certain procedural aspects of the application procedures and the implementation of the relevant projects (e.g., permitting, public procurement, business model selection etc.).



Epistimi Oikonomopoulou
Senior Associate, Paris

epistimi.oikonomopoulou@cliffordchance.com
+33 1 4405 5110

This publication does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice.

cliffordchance.com

Clifford Chance, 10 Upper Bank Street, London, E14 5JJ

© Clifford Chance 2025

Clifford Chance LLP is a limited liability partnership registered in England and Wales under no. OC323571. The firm's registered office and principal place of business is at 10 Upper Bank Street, London E14 5JJ. The firm uses the word "partner" to refer to a member of Clifford Chance LLP or an employee or consultant with equivalent standing and qualifications.

If you do not wish to receive further information from Clifford Chance about events or legal developments which we believe may be of interest to you, please either send an email to nomorecontact@cliffordchance.com or by post at Clifford Chance LLP, 10 Upper Bank Street, Canary Wharf, London E14 5JJ

Abu Dhabi • Amsterdam • Barcelona • Beijing • Brussels • Bucharest** • Casablanca • Delhi • Dubai • Düsseldorf • Frankfurt • Hong Kong • Houston • Istanbul • London • Luxembourg • Madrid • Milan • Munich • Newcastle • New York • Paris • Perth • Prague** • Riyadh* • Rome • São Paulo • Shanghai • Singapore • Sydney • Tokyo • Warsaw • Washington, D.C.

*AS&H Clifford Chance, a joint venture entered into by Clifford Chance LLP.

**Clifford Chance has entered into association agreements with Clifford Chance Prague Association SRO in Prague and Clifford Chance Badea SPRL in Bucharest.

Clifford Chance has a best friends relationship with Redcliffe Partners in Ukraine.



Bryony Theaker
Partner, London

bryony.theaker@cliffordchance.com
+44 207006 2162



Gauthier Martin
Partner, Paris

gauthier.martin@cliffordchance.com
+33 1 4405 5181



Anastasios Tomtsis
Partner, Brussels

anastasios.tomtsis@cliffordchance.com
+32 2 533 5933



Patrice Viaene
Partner, Brussels

patrice.viaene@cliffordchance.com
+32 2 533 5925