

The European Commission proposes that the EU permanently cease gas imports from Russia

Agata Łoskot-Strachota

On 17 June, the European Commission published a legislative proposal aimed at phasing out gas and oil imports from Russia by EU member states. The document specifically proposes:

- the introduction of a ban on the import of gas from Russia, whether via pipeline or in liquefied form, to be implemented gradually depending on the type and date of the contracts concluded, and to take full-effect by the end of 2027. This is to be accompanied by a ban on providing long-term services to Russian entities at LNG terminals in the European Union;
- provisions enabling the implementation and monitoring of the above ban and the phase-out of oil imports, including through national plans for the diversification of gas and oil supplies;
- provisions introduced through amendments to the regulation on gas supply security – enabling improved assessment of gas supply security within the EU (see Appendix).

The proposal will still be subject to deliberations by the European Parliament and the Council of the EU, and the final form of the document will depend on the amendments proposed by these institutions. The regulation is based on EU trade and energy law provisions, and thus requires a qualified majority, not unanimity, for its adoption. This makes it possible to bypass the opposition announced by Hungary and Slovakia. Additionally, to enable companies to terminate contracts without incurring contractual penalties, the European Commission has specified that the entry into force of the ban will constitute *force majeure*.

In the context of the Israeli-Iranian war and uncertainty regarding the policy of a key partner – the United States – the announcement of the draft regulation confirms Brussels' political will to finalise the EU's withdrawal from Russian gas imports. However, it is unclear whether, in light of increasing instability and its impact on global oil and gas markets, the majority of member states will maintain their support for the actions proposed by the European Commission.

Commentary

- **The document specifies the measures set out in the 'roadmap' published in May concerning the phasing out of gas imports from the Russian Federation** (see ['The](#)

European Commission's plan for abandoning Russian energy imports'). However, it lacks legal instruments that could support the phase out of Russian oil imports by the Central European countries that continue to purchase it (it is possible that this will be addressed by lifting the exemption of the southern branch of the Druzhba oil pipeline from EU sanctions). No formal instruments have been announced either to support the EU's reduction of dependence on Russian uranium, nuclear fuel, and services throughout the entire nuclear cycle. It cannot be ruled out that this has been postponed due to significantly greater difficulties in phasing out cooperation with Russia in this area.

- **The draft regulation confirms the European Commission's political will – strongly encouraged in this regard by the Polish Presidency of the Council of the EU – to end gas imports from the Russian Federation.** It enjoys the support of the majority of member states, including Germany, as demonstrated by the EU Energy Council on 16 June, where one of the main topics was precisely the phase out of Russian energy supplies. According to EU Energy Commissioner Dan Jørgensen, the European Commission's goal is the complete and permanent departure from Russian gas. This is intended to strengthen the EU's energy security during the war in Ukraine and to end the financing of the aggressor state.
- **The European Commission also aims to eliminate the possibility of Russia instrumentalising gas supplies in peacetime,** to ensure stable and predictable market conditions, to support the achievement of EU climate policy goals, and – ultimately – to guarantee internal cohesion within the EU. The proposed legal basis, according to which the adoption of the regulation requires a qualified majority of member state votes, is intended to allow the already announced opposition from Hungary and Slovakia to be bypassed. By citing Article 207 of the TFEU and Article 21(3) of the TEU, the European Commission also refers to the requirement that the EU's trade policy must be consistent with the key objectives of its external action. Acceptance of the document and its entry into force under these legal interpretations could pave the way for further, more coherent actions in other areas of trade policy.
- **The international situation is not favourable to the EU's plans.** In particular, aside from shifts in United States policy and the related concerns about the future of US sanctions on Russian energy resources, the escalating Israeli-Iranian war is having a negative impact on the oil and gas markets and the general level of uncertainty. Already in the first days of the conflict, it became clear that it was driving up prices for both oil and gas on European trading hubs. Moreover, it has already affected the availability of Israeli gas (two of the three largest gas fields have been temporarily shut down for security reasons) and has disrupted regional markets, with Egypt and Jordan implementing emergency measures in their energy sectors. The mere risk of potential escalation is already reflected in market price levels, while its materialisation could affect not only Iran's vast reserves and production capacity, but also the navigability of the Strait of Hormuz – a key route for the delivery of approximately 20% of global LNG supply, including the entirety of Qatar's exports (see '*Israeli attacks on Iran – the impact on oil and gas markets*'). All of this increases gas prices, which may complicate the filling of the EU's storage facilities ahead of the coming winter, and may also affect the sentiment and willingness of member states – including some beyond Hungary and Slovakia, which openly oppose the

European Commission's proposals – to accept more ambitious regulations and to rapidly phase out the remaining imports from the Russian Federation.

APPENDIX

Key proposals contained in the European Commission's legislative proposal on the gradual phase-out of imports of Russian natural gas, improved monitoring of potential energy dependencies, and the amendment of Regulation (EU) 2017/1938

1. Introduction of a gradual ban on imports of natural gas from Russia to the EU by means of:
 - a ban, effective from 1 January 2026, on concluding new contracts for gas supplies via pipelines or in liquefied form,
 - a ban, effective from 17 June 2026, on importing gas under short-term contracts concluded prior to 17 June 2025 (and not modified thereafter),
 - a requirement, effective from 1 January 2028, to terminate short-term contracts for gas supplies to landlocked countries where such contracts are linked to long-term agreements for the supply of Russian gas,
 - a requirement, effective from 1 January 2028, to terminate imports under long-term contracts concluded prior to 17 June 2025 (and not modified thereafter).
2. Introduction of a ban, effective from 1 January 2026, on the provision of services to Russian entities at LNG terminals in the European Union. A transitional period – until 1 January 2028 – may be granted to entities that concluded a contract for the provision of such services before 17 June 2025.
3. Increasing the availability and transparency of data on gas imports from Russia and the provision of services at LNG terminals by expanding the role of customs authorities, regulators, the Agency for the Cooperation of Energy Regulators (ACER), and the European Commission.
4. Specification of the rules and deadlines for devising national plans for the diversification of natural gas and oil supplies, as well as the role of the European Commission and the Gas Coordination Group in their development and implementation.
5. Amendments to Regulation (EU) 2017/1938 concerning measures to safeguard the security of natural gas supply, aimed at enhancing the capacity to monitor the security of gas supply to the EU, particularly with regard to Russian gas.

The draft regulation is based on a dual legal basis, namely Article 207 of the TFEU (concerning trade policy) and Article 194(2) of the TFEU (concerning energy policy).