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Permanent Representations to the
European Union
COREPER I

Brussels, 10 March 2025

Subject: EU energy security architecture

Dear Madam, Sir

On 17 March, the Energy Council (TTE) will discuss the EU's energy security architecture in light of recent challenges and talk about the way forward for the EU regulations on security of gas supply and electricity risk preparedness. These are key elements of the EU's energy security framework. Ministers will focus on how this framework could be shaped to address existing and new energy security challenges that may undermine the EU's economy and competitiveness. Given this, Copa and Cogeca would like to put forward their key recommendations.

Copa and Cogeca call for updating regulations to recognise the critical societal importance of farmers and agri-food cooperatives, who have a key role to play in pooling different resources to develop projects during gas shortages. This approach would ensure the continued functioning of food production during times of gas disruption, safeguarding both food security and energy resilience across Europe; see the arguments in the annex.

Furthermore, we believe that Copa and Cogeca's proposals should be integrated into the revision of Regulation (EU) 2019/941 concerning risk preparedness in the electricity sector. Aligning these policies will not only protect the agricultural community but also the broader food supply chain, ensuring we are well-prepared to meet future energy challenges.

In addition, Copa and Cogeca advocate for policies and infrastructure to promote renewable energy in agriculture, aiming to create a sustainable energy system while supporting farmers and agri-food cooperatives in economic and social terms.

Copa and Cogeca propose:

1. Upgrading the rural electricity grid: Copa and Cogeca call for modernizing rural electricity infrastructure, improving permitting processes, and offering financial incentives to encourage on-farm renewable energy generation.
2. Strategic vision for energy deployment: Copa and Cogeca propose a strategy for deploying sustainable energy solutions on farms and agri-cooperatives, including policies that support small-scale digesters and biogas, as well as renewable electricity systems and storage infrastructure to promote energy independence.
3. Combined Heat and Power (CHP) systems: Copa and Cogeca emphasize the value of CHP systems, which generate both heat and electricity, benefiting both farm and agri-cooperatives' operations and grid stability. These systems also provide additional income opportunities for farmers and agri-cooperatives.



The participation of farmers and cooperatives in rural energy communities will be vital in ensuring the transition to a greener and more resilient energy future and can boost the acceptance of renewable energy projects.

We trust these proposals will contribute to strengthening the EU's energy and food security and support the agricultural sector's resilience in face of future energy challenges.

Yours faithfully,



Elli Tsiforou
Secretary general



Annex

The regulation (EU) 2017/1938 highlights the importance of ensuring gas supply during emergencies, with specific protections for essential social services and private customers. However, the current framework does not adequately recognize the critical role of agri-food cooperatives and farmers who produce energy through cogeneration or anaerobic digestion. They are vital to food and energy security, which are also essential services.

Key Points

1. Current regulation

- The regulation (EU) 2017/1938 protects private customers and essential social services in the event of gas supply disruptions.
- Companies consuming the most gas (the top 20% of gas users) are classified as non-protected gas customers, which means they may face gas supply cuts during an emergency.
- Agri-food cooperatives and many horticulturists, while essential for food security and local electricity stabilization through Combined Heat and Power systems (CHP), are not classified as protected gas customers, unlike healthcare and social services.
- Agri-food cooperatives and many (livestock) farmers are producers of biogas and or biomethane. Biogas or biomethane can provide alternative gas supply, a storable energy, which add significant value to wind and photovoltaic systems as they are capable of providing base load¹.

2. Impact on agri-food cooperatives and farmers

- Many agri-food cooperatives and farmers depend on gas for heating and other food processing needs that have no viable technological alternatives (such as electrification). The gas is also needed for year-round food production in heated facilities.
- Cutting the gas supply to these companies could have serious consequences for food quality and supply as well as for animal health and welfare. Additionally, it could lead to local electricity shortages, affecting households and SMEs that rely on local electricity grids.
- Agri-food production should be recognized as an essential societal function, one necessary to maintain food and energy security.

3. Proposal for revision

- **Recognition of agri-food as essential:** The regulation should acknowledge agri-food production as essential and include it in Article 2, Point 5, alongside social services. This would protect agri-food cooperatives and farmers from gas cuts, regardless of their personal gas consumption levels.
- **Alternative proposal – Categorization of non-protected gas customers:** An alternative could be dividing non-protected gas customers into two groups:
 - **Societal essential gas usage** (including agri-food companies), and
 - **Societal non-essential gas usage.**

¹ The amount of power made available by an energy producer (such as a power plant) to meet fundamental consumer demand



- In this scenario, societal non-essential users would be cut off first, leaving essential sectors like agri-food unaffected during supply disruptions.
- **Increased flexibility for Member States:** Member States should have the freedom to determine the threshold for protected gas consumption based on their energy security. Those with greater energy security should be able to set a higher threshold for determining which gas customers are protected.

Suggested Actions

- **Amend Article 2, Point 5:** The regulation should recognize agri-food production as an essential societal function, in a similar manner as to how social services are protected.
- **Provide Flexibility to Member States:** Allow Member States to define a higher threshold for gas consumption to better suit their individual resilience levels.
- **Categorize non-protected customers:** If the agriculture and food sector cannot be fully protected, a two-tier categorization of non-protected customers (societally essential vs. non-essential gas usage) should be introduced to ensure agriculture and food production continue uninterrupted during emergencies.

Rationale

- Ensuring the continuity of farming and agri-food production and processing is vital for food security and the stability of local gas and electricity supply.
- By treating farmers and agri-food cooperatives as essential, the regulation can ensure that food production does not suffer during gas disruptions, which would ultimately benefit society and the rest of the value chain at large.
- Also not to be forgotten is the strategic importance of decentralised energy production; energy produced close to the end user and less susceptible to sabotage and influence from outside the EU. Given recent events, this importance cannot be underestimated and the potential of decentralised energy production on agricultural and horticultural farms, via the presence of biomass, roof space, open space and symbiosis with food production, should be encouraged.

Conclusion

To better protect the food supply and local economies, it is crucial to update the regulation to consider farmers and agri-food companies as protected gas customers or at least recognize their societal importance in the event of gas shortages. This approach would ensure that essential food production can continue even during gas disruptions, safeguarding both food security and energy resilience in Europe.

Copa and Cogeca's proposals should equally apply to the revision of Regulation (EU) 2019/941 of the European Parliament and of the Council of 5 June 2019, concerning risk preparedness in the electricity sector.

