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Answer given by Mr Jørgensen
on behalf of the European Commission
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A cost-benefit analysis (CBA) is conducted when a project applies to the Commission for obtaining the status of project of common interest (PCI) under the Trans-European Networks for Energy (TEN-E) Regulation¹. When a project is included on the Union list of PCIs, it has been assessed as compliant with the criteria in the Regulation, including that the overall benefits of the project outweigh its costs. Also, when a PCI has received a grant for works under the Connecting Europe Facility (CEF), it means that its CBA provides evidence of significant positive externalities, such as security of supply and solidarity.

The TEN-E Regulation framework is distinct from any viability assessments or due diligence that may be made by private investors or lenders, which apply their own policies.

CBAs submitted by project promoters in CEF applications are not made public, because they may contain business secrets or other confidential information.

It is not uncommon for PCIs to be faced with higher costs than anticipated; especially the last years, which have seen supply chain and geopolitical challenges. At the same time, their benefits have increased, notably in terms of security of energy supply and enabling the transport of renewable energy generated in the Union. Therefore, their completion remains a priority.

The ending of Cyprus' electricity isolation is one of the eight Energy Highways identified by the Commission² which is fully engaged with the Cypriot and Greek authorities and the project promoter to ensure a regulatory framework for investment security and strongly emphasize the Union dimension of the Great Sea Interconnector to third countries to prevent further implementation delays.

¹ Regulation (EU) 2022/869 of the European Parliament and of the Council of 30 May 2022 on guidelines for trans-European energy infrastructure. See in particular Article 11 on energy system wide cost-benefit analysis.

² 2025 State of the Union Address by the President:

https://ec.europa.eu/commission/presscorner/detail/ov/SPEECH_25_2053.