# At a glance

Plenary – 4 June 2015



# **European Energy Security Strategy**

The European Parliament is due to vote on an own-initiative report from the ITRE Committee on the European Energy Security Strategy (EESS), responding to a May 2014 Commission Communication on the EESS. The report supports a holistic view of energy security that integrates internal and external dimensions of EU energy policy, and emphasises the interdependence between energy issues and other EU policy areas such as the single market, climate change, and environment.

## Why does Europe need an Energy Security Strategy?

The EU imports 53% of the energy it consumes, amounting to an external energy bill of over €1 billion per day, and relies on foreign states for almost 90% of its crude oil and two thirds of natural gas. Energy security affects all Member States but is particularly problematic for Baltic and central and eastern European states, some of which are entirely dependent on Russia for gas supplies. Russian supply accounts for a third of gas and oil imports into the EU, while the ongoing conflict in Ukraine (a major transit route for Russian gas) highlights the risks associated with this external dependence. Energy supply is still decided nationally without taking into full consideration the interdependence of Member States, weakening the capacity of the EU as a whole to deal with supply shocks and respond to energy security threats.

### **Proposal of the European Commission**

The <u>2014 Communication</u> on European Energy Security and its accompanying <u>study</u> were developed in the context of a deteriorating security situation in Ukraine and widespread concerns about potential disruption of gas supplies. The Commission's EESS therefore addressed these short-term priorities alongside several medium and long-term goals for the EU. The EESS consists of eight key pillars:

- 1) Immediate actions to prevent a major supply disruption during the 2014/15 winter.
- 2) **Strengthen emergency/solidarity mechanisms** (including revision of the <u>2010 Security of Gas Supply</u> Regulation).
- 3) Moderating energy demand to reduce dependence on imported fossil fuels.
- 4) Completing the Internal Energy Market (see 2014 Progress Report for current state of play).
- 5) Increasing indigenous energy production in the EU, which declined by 15% in the 2001-12 period.
- 6) **Developing energy technologies** through the Horizon 2020 programme for research and innovation.
- 7) Diversifying external supplies and related infrastructure in gas and uranium/nuclear fuel.
- 8) Speaking with one voice in external energy policy.

The European Council endorsed the EESS at its meeting in June 2014.

### **Proposal of the European Parliament**

The ITRE Committee <a href="report">report</a> (rapporteur Algirdas Saudargas, EPP, Lithuania) is consistent with the Commission's view of energy security as a strategic issue that cuts across policy areas, rather than simply a question of supply diversification. The report suggests the EU is not on track to achieve its 20% energy efficiency target by 2020, while a third of the existing reduction in energy demand is due to lower levels of economic activity, so more should be done to implement existing legislation in this field. The report emphasises the importance of smart grids and local production for indigenous energy, and calls for the implementation of <a href="Projects of Common Interest in energy infrastructure">Projects of Common Interest in energy infrastructure</a> to be accelerated. The report considers that Russia is no longer a reliable partner for energy supplies, and deplores the failure to build the Nabucco gas pipeline that would have diversified supplies. The report asks the Commission for annual progress assessments on EESS as well as regular 'stress tests' on security of gas and electricity supply.