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on towards a common European foreign policy on energy
(2007/2000(INI))

Committee on Foreign Affairs

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(*) Procedure with associated committees – Rule 47 of the Rules of Procedure

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

**on towards a common European foreign policy on energy
(2007/2000(INI))**

The European Parliament,

- having regard to the Commission green paper entitled “A European Strategy for Sustainable, Competitive and Secure Energy” (COM(2006)0105),
- having regard to the first meeting of the EU Network of Energy Security Correspondents (NESCO), held on 10 May 2007 in Brussels,
- having regard to the joint paper by the Commission and the Council's High Representative on the external aspects of energy policy, submitted to the European Council of 15-16 June 2006,
- having regard to its resolution of 18 May 2006 on the proposal for a Council decision on the conclusion by the European Community of the Energy Community Treaty¹,
- having regard to its resolution of 23 March 2006 on security of energy supply in the European Union²,
- having regard to its resolution of 1 June 2006 on Energy efficiency or doing more with less – Green Paper³,
- having regard to the Commission Communication of 12 October 2006 entitled “External energy relations – from principles to action” (COM(2006)0590),
- having regard to its resolution of 14 December 2006 on a European strategy for sustainable, competitive and secure energy – Green Paper⁴,
- having regard to its resolution of 16 November 2006 on a Baltic Sea Strategy for the Northern Dimension⁵, in particular Part II thereof,
- having regard to the conclusions of the European Council of 23-24 March 2006, concerning the European Council's endorsement of the Green Paper on an Energy Policy for Europe, and of 15-16 June 2006 concerning the joint paper by the Commission and the High Representative on the external aspects of energy security,
- having regard to the conclusions of the European Council of 21-22 June 2007, concerning the mandate for the IGC to draw up a Reform Treaty amending the existing Treaties,

¹ OJ C 297 E, 7.12.2006, p. 340.

² OJ C 292 E, 1.12.2006, p. 112.

³ OJ C 298 E, 8.12.2006.

⁴ *Texts Adopted*, P6_TA(2006)0603.

⁵ OJ C 314 E, 21.12.2006, p. 330.

- having regard to the Treaty establishing a Constitution for Europe, under which energy is a field in which there is shared competence with the Member States,
 - having regard to the Communication from the Commission to the European Council and the European Parliament entitled “An Energy Policy for Europe” COM(2007)0001,
 - having regard to the Communication from the Commission to the Council and the European Parliament entitled “Strengthening the European Neighbourhood Policy” (COM(2006)0726),
 - having regard to the conclusions of the European Council of 8-9 March 2007, and the European Council's Action Plan (2007-2009) for an Energy Policy for Europe (EPE),
 - having regard to the Communication from the Commission to the Council and the European Parliament entitled “Black Sea Synergy - A New Regional Cooperation Initiative” (COM(2007)0160),
 - having regard to Rule 45 of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs and the opinions of the Committee on Industry, Research and Energy, the Committee on Development, the Committee on International Trade and the Committee on Environment, Public Health and Food Safety (A6-0312/2007),
- A. whereas energy security must be regarded as an essential component of the overall security of the European Union, as well as a key element for the pursuit of economic and social development in Europe, for which, however, there is still no basis under the Treaties,
- B. whereas, due to current existing and increasing energy supply dependency on largely unstable and undemocratic countries, efforts to ensure security of supply exclusively at the national level have proved to be insufficient and do not guarantee the long-term interests of all EU Member States; whereas the EU's external energy policy is closely linked to its internal energy policy and there is a need to create a common energy policy with regard to internal market regulation as well as external aspects that take into account the political and economic interests of all Member States,
- C. whereas the present vulnerability and high energy dependency of the EU on countries with authoritarian regimes deeply undermine the development of a credible, effective and consistent common foreign and security policy with regard, in particular, to respect for, and the support and promotion of, the values upon which the EU is founded,
- D. whereas the EU internal energy market principles could serve as a basis for constructive policies with external EU energy partners, taking into account the particular characteristics of the third countries concerned, especially with a view to supporting sustainable energy development, including the development of energy efficiency and renewable energy sources,

- E. whereas security of supply at affordable and predictable prices has to be guaranteed at European level by strong political cooperation as well as the completion of the internal energy market through further steps towards energy liberalisation,
 - F. whereas energy should not be used as a tool for the exertion of political pressure on transit and recipient countries,
 - G. whereas the gas sector is currently very vulnerable to external threats; whereas new forms of closer cooperation are being developed between gas exporting countries, which could endanger European energy security,
 - H. whereas a common European foreign policy on energy, based on solidarity and diversification and on the promotion of sustainability, would create synergies ensuring security of supply for the European Union and would enhance the EU's strength, capacity for action in foreign policy matters and credibility as a global actor,
 - I. whereas a sustainable, reliable and affordable energy supply must be secured; whereas international oil and gas prices are very volatile and a coherent EU foreign policy for energy is therefore in the interest of EU citizens,
 - J. whereas close cooperation in the field of supply of energy constitutes one of the most effective and indispensable confidence-building measures in relations between the European Union and neighbouring countries,
 - K. whereas a basis for solidarity in the area of energy policy can become a precedent for future solidarity in other areas and thus help to strengthen the role of the EU in its external relations,
 - L. whereas a reliable risk assessment of energy security should be established as part of the EU's energy foreign policy, and whereas in this connection the recently established NESCO should play a decisive role, in which the necessary monitoring capacities for an early warning system must also be in place,
 - M. whereas joint efforts should be redoubled in the field of research into, and utilisation of, renewable energies and energy efficiency, both within the EU and in cooperation with external partners and third countries,
1. Calls for the development of a common European foreign policy on energy which would significantly contribute to guaranteeing energy security for the whole of the EU, while at the same time pursuing the objective of sustainability at the international level, thus providing EU citizens with substantial added value to efforts made at national level;
 2. Considers that energy policy must be an integrated and prominent part of the common foreign policy, and that energy policy should be taken into account in all foreign policy contexts;
 3. Stresses that, whilst the Member States should retain their sovereign right to make strategic choices concerning the energy mix, to exploit their energy resources and to

decide on the supply structures, there is a need to elaborate concrete provisions, to be included in the Treaties, leading to the creation of a common European foreign policy on energy, covering security of supply, transit and investment related to energy security, and the promotion of energy efficiency and energy savings as well as clean and renewable energy sources, particularly in relations with countries whose energy consumption is growing rapidly;

4. Calls for a suitable Treaty basis for energy and energy security;
5. Stresses that a comprehensive European foreign policy on energy must contribute to the promotion and implementation of the values and interests of the European Union and the main aims of its foreign policy, namely the safeguarding of peace and the primacy of human rights, democracy and the rule of law; recognises that the EU's dependency on imported energy may have significant effects on the independence of its decision-making in other policy areas;
6. Regards it as vital for the EU to continue to lead the global fight against climate change, which among other risks may lead to substantial migratory movements and security threats, and to fulfil the Kyoto Protocol targets; in this context, fully supports the ongoing efforts to forge a multilateral post-2012 framework to reduce greenhouse gas emissions; considers it necessary to integrate the EU's endeavours in the development of renewable and clean energy sources and technologies for energy saving into all external relations;
7. Welcomes the creation of NESCO; calls on the Member States and the Commission to consolidate its activity with a view to fully developing its operational capabilities and using it as an effective early warning system in case of energy security threats, as well as a system of information exchange in the field of energy;
8. Supports a gradual approach in progressing towards a common European foreign policy on energy;
9. Calls on the Council and the Commission to set up, by the end of 2007, a precise road map leading to the formation of such policy, indicating short, medium and long-term objectives, targets and steps, with specific time-frame for implementing them;
10. Calls on the Commission to submit an annual progress report concerning the implementation of the above-mentioned objectives, in order to allow the European Parliament to be closely involved in the monitoring of the common European foreign policy on energy;
11. Calls on the Commission to prepare annual reports concerning observance of the rules governing the internal market in the energy sector, notably as regards transparency and compliance with EU competition law, by third-country companies, especially main suppliers, together with all of their subsidiaries; welcomes the invitation extended by the European Summit of 8-9 March 2007 to the Commission to assess the impact of vertically integrated energy companies from third countries on the internal market and how to implement the principle of reciprocity;

12. Supports the Commission's intention to take appropriate measures to prevent uncontrolled investment by state-owned foreign companies in the EU's energy sector, in particular the gas and electricity transmission networks;
13. Calls for closer coordination between the Presidency, the Commission and the High Representative so that they may speak and act jointly with one voice on issues concerning a common foreign policy on energy; considers it necessary to strengthen the role of the Commission and the European Parliament in defining the common foreign policy on energy in the forthcoming revision of the Treaties; proposes, after the new Reform Treaty enters into force, to appoint, with the approval of the Council and the Commission, a High Official for Foreign Energy Policy, who, wearing a “double hat”, would act under the authority of the newly created strengthened High Representative of the Union for Foreign Affairs and Security Policy, a Vice-President of the Commission, thus being anchored both in the Council and in the Commission, and who should be responsible for coordinating all policies under the scope of the common European foreign policy on energy, thereby contributing to the EU's ability to protect its energy security interests in negotiating with the EU's external partners;
14. Is convinced that the Energy Charter Treaty (ECT) should be the cornerstone of the common European foreign policy on energy as it is the international community's most significant instrument for the promotion of cooperation in the energy sector, provides a basis for fair and equitable treatment, ensures security of investments and guarantees a right to compensation in the event of expropriation and/or nationalisation; calls on the Commission and the Council to strongly demand the application of the ECT, and to include the substance of the Transit Protocol in all treaties and agreements with its energy partners;
15. Encourages the Member States and the Commission to pursue efforts to promote within the EU neighbourhood, in cooperation with third countries, the extension of the principles and norms of the internal market; urges the Commission, therefore, to consider extending the European Energy Community comprising the EU and South Eastern Europe, to other third countries, as appropriate, and creating new regional energy markets modelled thereon, such as a Euro-Mediterranean energy community, to ensure security of supply;

Underlying principles and recommendations for action within a common European foreign policy on energy

A. Diversification

16. Is of the opinion that, taking into consideration the increasing dependence of the EU on a limited number of energy sources, suppliers and transport routes, it is essential to support the priority initiatives aimed at their diversification, both geographically and by developing sustainable alternatives; believes that special priority should be given to environmentally safe and renewable energy sources; considers that security of supply at affordable and predictable prices must be a major goal for the EU;
17. Supports the prioritisation of all the energy diversification projects realised within the neighbourhood – especially those aimed at creating new transport corridors which diversify both suppliers and routes, such as the Caspian Sea-Black Sea - EU Energy

corridor – in particular the construction of the Nabucco pipeline, liquefied natural gas infrastructure (LNG), the interconnection of electricity grids and the completion of the Euro-Mediterranean electricity and gas infrastructure rings as well as the realisation of new oil infrastructure projects of European interest such as the Odessa-Gdańsk and Constanta-Trieste projects which should be included in the list of high-priority projects of European interest;

18. Welcomes the nomination of EU coordinators for priority projects of European interest, as defined by the European Council in its conclusions of March 2007, in particular for the Nabucco project and the Power-Link between Germany, Poland and Lithuania;
19. Calls on the Commission and the Member States to pursue active policies at the highest political level so as to enable the Community to diversify its natural gas sources; expects that any cooperation between gas exporting countries would respect an open, transparent and competitive market; considers that an initiative to create a gas version of OPEC would be contrary to that aim;
20. Notes that it is essential to move beyond declarations and open bids for concrete priority projects, and calls for the High Official for Foreign Energy Policy, upon being appointed, to be also responsible for coordinating the engagement in developing external energy infrastructure, such as the Nabucco and Odessa-Gdańsk projects; meanwhile, calls on the Commission, the Presidency and the High Representative to strengthen the commitment to developing external energy infrastructures, together with the European coordinators;
21. Considers that the realisation of the energy diversification projects should be one of the priorities of the strengthened European Neighbourhood Policy, and calls for enhanced support for improvement of the investment climate and the regulatory framework, based on the principles of the ECT, in the energy sectors of the producer and transit countries;
22. Calls for recognition of the diversity of situations in which various Member States find themselves when it comes to energy mix, import dependency and infrastructure, and supports all efforts aimed at overcoming the existing dependencies of Member States on dominant suppliers, on infrastructure limitations, on carbon-intensive sources of energy and on energy imports from countries that systematically violate the letter and spirit of the UN Charter;
23. Supports all efforts aimed at establishing new sources for financing all important undertakings, including special loans from the EIB, as well as earmarking for that very purpose special budgetary lines within the EU budget, provided that they do not undermine the security of any Member State;
24. Calls for the improvement of cooperation with the EIB and the EBRD, with a view to using financial instruments to back up priority projects;
25. Considers potential import dependency on biofuels to be as worrying as dependence on external supplies of oil or gas; calls on the Commission to develop, together with the EU's partners, a global certification scheme which can ensure the sustainability of the production and use of biofuels that do not pose a threat to biodiversity, together with standards for the cultivation and processing phases as well as for the overall life-cycle

balance of greenhouse gases;

B. Unity in defending the EU's interests

26. Considers it inevitable for the Union to develop a long-term strategy and framework leading to the creation of a common foreign policy on energy, in order to adopt a strong position in dialogue with main supplier countries and to enhance the ability to speak with one voice in the discussions held at the EU, Member State and industry levels, which will provide a platform for solidarity in other policy areas and for strengthening the external role of the Union;
27. In the short term, calls on the Member States to keep each other and the Commission informed of, and moreover to consult each other and the Commission on, strategic decisions concerning major bilateral agreements with third countries on energy projects which could affect the interests of other Member States and the EU as a whole, as should be done in respect of all foreign policy questions of common interest; and, where bilateral agreements have been reached that run contrary to the interests of other Member States and the EU as a whole, calls on the Member States and, where appropriate, the Commission to work together to reach agreement ensuring the neutralisation of any negative effects, in particular as regards environmental impact, in accordance with the principle of solidarity;
28. Calls on the Member States and the Commission to ensure that a full environmental impact assessment is carried out before deciding on major infrastructure investments; in particular, urges them to consider the threat to ecosystems and human life represented by the planned North European Pipe Line/Nord Stream due to the existence of ammunition and weapons dumps on the seabed along the path of the planned pipeline at the bottom of the Baltic Sea; points out that, should a major ecological disaster occur, the financial responsibility should lie with the parties involved;
29. In the medium term, calls for the Commission to be vested with institutional competence to negotiate EU framework agreements with third countries concerning energy supply;

C. Solidarity in crisis situations

30. Considering that solidarity and energy security are necessary for the smooth functioning of the internal market, including equal access to energy for all economic operators, calls on the Council and the Member States to create a solidarity mechanism, (in accordance with the spirit of solidarity between Members States referred to in the new Reform Treaty agreed upon by the European Council in June 2007, which would allow the EU to act efficiently, swiftly and coherently in crisis situations caused by disruption of supply, damage to critical infrastructure or any other event;
31. Calls on the Commission to support the so-called “energy security clause” to be included in trade, association, and partnership and cooperation agreements with producer and transit countries, which would lay down a code of conduct and explicitly outline measures to be taken in the event of disruption, or any unilateral change in the terms, of supply by one of the partners;

32. Supports the creation of an efficient mechanism, to include NESCO, with which to react in the event of supply disruptions, including measures to make effective use of warning systems and build up an interconnecting EU energy crisis infrastructure, especially for gas and electricity, which could be used to assist Member States in need, taking into account the geological and geographic features of those Member States, particularly as regards storage capacities and their proximity to sources of energy supply;

D. Strengthened cooperation with major producer, transit and consumer countries

33. Calls on the EU and the Member States to further engage actively in a close dialogue between the EU and all major producer, transit and consumer countries and, in particular, to step up relations in the energy sector with Algeria, Egypt and the other producer countries in the Mashreq/Maghreb region;
34. Supports all steps aimed at promoting transparency, the rule of law and improved governance in the energy sector through energy partnerships with third countries, with the objective of creating mutually beneficial, open, transparent, non-discriminatory, stable legal conditions for access to upstream assets and for energy investment and trade, to be based on the principle of reciprocity and fair and transparent competition, ensuring that the income from energy trading will not be misused and diverted to finance terrorism;
35. Stresses the need to pursue research and development partnerships with major consumer and transit countries outside the EU, in order to tackle the challenge of global warming and develop alternative and renewable energy sources; underlines that enhanced energy cooperation with such third countries, including the US, should be carried out with particular regard to the development of energy-efficient technologies and the promotion of combined heat and power from renewable and sustainable biomass production and use;
36. Calls on the EU to build a dialogue with developing countries on energy issues in order to enhance the decentralisation of renewable energies, energy accessibility and sustainability as well as energy infrastructure of common interest;
37. Underlines, in particular, the importance of enhanced energy dialogue with the US and other key energy partners that share EU values; calls on the Community institutions to aim at establishing an Energy Security Partnership with the US;
38. Calls for the active involvement of European countries that are not EU Member States – such as Norway – in EU energy foreign policy;
39. Calls for a coherent energy policy in all European foreign policy areas, such as the Northern Dimension, Black Sea Synergy and the Euro-Mediterranean Partnership;
40. Supports the initiatives of the Commission to develop a closer energy dialogue with the countries in the South Caucasus, Caspian and Central Asia regions, as well as the Mediterranean region and the Middle East; welcomes the EU's move towards an approach of “critical and constructive dialogue” vis-à-vis the countries of the region which balances the EU's interest in diversifying its oil and gas supplies and the goal of achieving political reforms in those countries;

41. Calls for the development of the existing mechanisms, and the creation of new ones, within the European Neighbourhood Policy and the Black Sea Synergy leading to a deepening of the cooperation with the transit countries – Ukraine, Belarus, Moldova, the countries of South Caucasus, the Mashreq and the Maghreb – in order to allow for greater transparency of market operation and provide for stability of supply and transit;
42. Underlines the importance of Turkey as a transit hub for the diversification of gas supplies to the EU; expects Turkey to fully cooperate with the EU in facilitating transit;
43. Encourages Turkey to join, as a full member, the European Energy Community, which currently extends to the South Eastern European countries and provides a structured regulatory framework for deepening regional energy cooperation, thus improving energy security and underpinning investment; supports the application by Ukraine, Norway and Moldova for membership of the Energy Community;
44. Calls on the Commission, in addition to NESCO, to develop tools and mechanisms allowing it to cooperate better with its neighbours in analysing and monitoring the situation in the transit areas, thus increasing the EU's ability to prevent crisis situations and to react in a more effective and rapid manner if a crisis were to occur;
45. Stresses the importance of the EU's energy partnership with Russia, while pointing out that Russia continues to be almost entirely dependent on the EU market and its individual larger-scale European consumers in its energy exports; urges the EU to emphasise the mutual interdependence aspects in the EU-Russia energy dialogue; draws attention to the fact that the energy partnership between the EU and Russia can only be based on the principle of non-discrimination and fair treatment and on equal market access conditions;
46. Emphasises that Russia is already bound by the ECT pursuant to Article 45 thereof¹; is convinced that, in addition to the need for Russia to ratify the ECT, the EU should negotiate a formal framework document on energy relations with Russia in the context of the new Partnership and Cooperation Agreement; regards the mere transposition of the ECT principles into the Partnership and Cooperation Agreement as redundant, while acknowledging the added value of provisions clarifying or supplementing the obligations contained in the ECT, in particular those contained in the Transit Protocol;
47. Stresses that the ratification of the ECT would be a visible and tangible demonstration of Russia's commitment to a reliable energy supply and to energy cooperation based on common principles and values;
48. Calls on the Council and the Commission to use their leverage to persuade Russia to commit itself to open, fair and transparent markets for energy production and supply; considers that the ratification by Russia of the ECT and its Transit Protocol would have a positive influence on the European Union's support for Russian accession to the World Trade organization (WTO);
49. Expresses its concern about the general inefficiency of the Russian energy system, both in

¹ Article 45(1) of the ECT provides for states that have signed but not ratified the ECT to be provisionally bound thereby from signature to ratification, unless they have opted out pursuant to Article 45.

terms of exploration and transport and in industrial and domestic use, which may have severe implications for Russia's supply obligations; calls on the Commission to address this issue in its technical cooperation with Russia;

50. Stresses that the principle of developing environment-friendly and energy-efficient technologies should be incorporated into a new agreement between the EU and Russia; emphasises the importance of increasing EU-Russia cooperation on environmental matters within the framework of the Northern Dimension;
51. Calls on the Commission to demand, within the dialogue with the main suppliers of hydrocarbons to the EU, the equal treatment of European companies, exclusively based on economic criteria and without any interference by political factors in the establishment of acquisition prices;
52. Calls on the Commission to prepare a report on the destination clauses regarding gas supplies, which are de facto preventing re-export of gas within the internal market, and calls on the Commission to enforce the abolition of any such clauses contained in any contracts for natural gas on the EU market, inasmuch as they are prohibited by EU law;
53. Calls for the stepping-up of the dialogue with China, India, Brazil and other emerging countries and developing countries, in order to build a stable and predictable global energy market which is based on fair and transparent rules and is in addition aimed at a united effort in combating global warming and maintaining sustainable development;
54. Calls for an intensified relationship with the Middle East and North Africa in the energy sector; outlines the importance of the future EU-Africa Energy Partnership, the launch of which is planned to take place at the EU-Africa Summit on 7-8 December in Lisbon as one of the main initiatives within the Joint EU-Africa Strategy; considers that the energy partnership should contribute to strengthening the Africa-EU dialogue on access to energy and energy security, scaling up investment in energy infrastructure and in renewable energies and energy efficiency, amplifying the development-oriented use of oil and gas revenues, promoting transparency and mainstreaming climate change into energy and development cooperation;
55. Calls on the Commission to promote fair competition at the international level by taking action within the WTO in support of specific rules on the transparency of the energy market and, in particular, on trade-distorting measures;
56. Recommends that the Commission evaluate, within the WTO, the possibility of negotiating plurilateral agreements for specific energy markets, such as biofuels, and that it report back to the European Parliament as soon as possible;
57. Calls on the Commission and the Council to actively and resolutely counteract any oligopolistic tendencies, such as the danger of the creation of a gas cartel;
58. Encourages those Member States which are members of the G8 and the Commission to use that forum to promote the EU's energy interests, including in the G8+5 format which brings together key producers and consumers;

59. Supports all measures aimed at strengthening multilateral technical initiatives, such as the Global Gas Flaring Reduction Partnership, the Extractive Industries Transparency Initiative, the Financial Action Task Force, the IFC Equator Principles and Inogate;
60. Stresses that a common European foreign policy on energy is not in itself sufficient, and that a common European energy policy needs to be developed which should include a common European policy on research and technologies concerning energy;
61. Calls on the Council to create a strategy to protect critical energy infrastructure inside the EU and the immediate neighbourhood of the EU against terrorist threats;
62. Calls on the Commission to put forward proposals for regulatory reform, based on the best practices identified in each Member State, and in particular full ownership unbundling of energy production and energy transmission and distribution, stronger independent national regulatory supervision and better coordination of the activities of regulators at EU level, with a view to encouraging the development of new and renewable energy sources and a clear framework for enhancing investment in transmission infrastructures;
63. Stresses that the creation of interoperable energy grids through a well-coordinated trans-European energy network will contribute to competitiveness in the electricity and gas markets, reinforce security of supply and advance environmental protection, as well as strengthening the EU's position vis-à-vis supply and transit countries;
64. Stresses that pollution from the exploitation of energy resources, particularly oil, may not only cause serious and irreversible environmental damage but also pose serious security risks regionally and globally, such as in the Middle East; calls for new safeguard measures and investment in greater security and efficiency in the exploitation of energy resources;
65. Calls for a public debate to raise awareness of a common European foreign policy on energy among EU citizens and underline the positive aspects of such a policy, by means of a public information campaign;

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66. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.

EXPLANATORY STATEMENT

In the recent years, energy security has moved to the top of the political agenda of the European Union. This is, however, not an entirely new development, as the reflection on the need for a common political approach to energy was already at the heart of the 1952 European Coal and Steel Community Treaty and the 1957 Euratom Treaty. The global energy markets and geopolitical situation have changed considerably since. There are many reasons for energy security becoming a priority issue, but one of the most significant may be considered the January 2006 Russia-Ukraine gas dispute and the subsequent supply crisis that affected several Member States. This dispute was a real wake up call for the EU. From almost one day to the other we discovered that energy is not just a commodity, essential for our continued economic development and well-being but it can also be used as a political tool, instrument of political pressure. In this context, the EU's growing dependence on external energy supplies, largely from undemocratic and unstable countries, and particularly gas dependence on Russia, is worrying as it may harm the long-term economic and political interests of the Member States, as well as the overall security of the European Union. Any difficulty, even temporary, that has the effect of reducing energy supplies from third countries will also cause serious disturbances in the economic activity of the Union.

Moreover, the global pressure on energy resources is increasing. The rise of China and India as major global economic powers, the continued growth in US energy demand and instability in the key oil-exporting regions are dramatically affecting international energy markets. Prospects for stable production are increasingly linked to internal political issues and the regional ambitions of major suppliers. These dynamics may affect the global balance of power, as energy security has become a top factor in countries' national security and economic development.

The new policy should cover all geographic directions of energy supply in the Eastern and Southern Neighbourhood, Central Asia, Mediterranean Region and Middle East. The importance of the future EU-Africa Energy Partnership and intensification of dialogue on access to energy and energy security should also be stressed.

European response to challenges

The growing EU energy import dependence has increased the importance of energy supply security policies. Even if the EU is able to shift towards energy efficiency and renewable sources of energy within the next two decades, our dependency on oil and gas will not diminish dramatically. We can reduce this dependency but not escape it. Consequently, we will have to source beyond our borders and we will increasingly be competing for energy. That is why we have to manage this dependency through foreign policy on energy with appropriate instruments. Some major consumers (US, China) have promoted energy supply security as a priority in their foreign and security policy. Some EU Member States have already followed this approach. However, on the EU level there is today no Community competence on external energy matters and "speaking with one voice" remains an objective far away from the reality.

Nevertheless, the awareness about the strategic importance and geo-political dimensions of

energy related security matters is growing. In its paper on "An external policy to serve Europe's energy interests", addressed in 2006 to the European Council, the High Representative has raised the issue by calling for a wider reflection which should have led to an overall Action Plan. While its adoption by the Council in March 2007 has undoubtedly contributed to the consolidation of internal energy market, in the area of foreign policy on energy, the progress was far too modest based on declarations rather than concrete plan on how to proceed to a new ambitious policy.

Towards a common European Foreign Policy on Energy

The rapporteur believes that energy security must be regarded as an essential component of the overall security of the European Union. He regrets that there is still no treaty basis for it. Hereby, he welcomes that the IGC mandate for the new Reform Treaty, adopted by the European Council of June 2007 foresees new provisions on energy solidarity.

The rapporteur believes, however, that it is time to go beyond the existing frameworks and calls for a common European foreign policy on energy to be implemented and equipped with appropriate instruments. This new policy should be based on solidarity and diversification and on the promotion of sustainability. It should be coherent (backed by all Union policies, the Member States and industry) and consistent with the EU's broader foreign policy objectives such as conflict prevention and the promotion of human rights. Its effectiveness will depend on the EU availability to gather its considerable collective resources and put them at the service of shared interests. This would require engaging with producer, transit and consumer countries and to intensify "energy diplomacy". The EU's 27 Member States need to replace their current preference for energy unilateralism with a new common policy of energy solidarity. It is only by acting collectively that Europe can hope to deal with main suppliers on even terms. The new policy should therefore create synergies ensuring security of supply for the European Union and enhance the EU's strength and capacity for action in foreign policy, as well as its credibility as a global actor.

It is important to underline that while individual Member States should retain the legitimate and sovereign right to choose their internal energy mix and to decide on the supply structure etc., the development of coherent and focused common foreign policy on energy would enhance the collective external energy security and increase the EU's potential to face more efficiently today's challenges.

The rapporteur is convinced that the development of such a policy would bring substantial added value according to subsidiarity principle to efforts made at national level and this is the only way to tackle efficiently the energy policy issue. He makes a number of concrete proposals to this end, supporting a gradual approach towards a common European foreign policy on energy, considering that the common European energy policy should be built on the principles such as - diversification, unity in defending the EU's interests, solidarity in crisis situations, and strengthened cooperation with major producer, transit and consumer countries.

He proposes a series of innovative ideas which should help to carry out this ambitious project:

- The creation of a post of a "double hatted" High Official on Foreign Energy Policy, who would be responsible for coordinating all policies related to all external aspects of

energy security (e.g. energy, environment, trade, transport, competition). Building synergies in a coherent way would certainly strengthen the EU's ability to protect its energy security interests. This institutional "nouveau" constitutes an important tool. We should remember Jean Monnet's saying that "nothing functions without institutional anchor".

- Appeal on the Commission to set up by the end of 2007 a precise "road- map" leading to the formation of a common foreign policy on energy, indicating short, medium and long term objectives, targets and steps with specific time-frame for implementing them. The rapporteur considers that this is necessary to engage the internal dynamic and move from declarations to action. In this regard, he calls on the Commission to submit to the European Parliament an annual Progress report concerning the implementation of the main objectives of the new policy, including the assessment of the observance by the third countries of the rules governing the EU internal market, such as transparency, principle of reciprocity, compliance with the EU competition law. The rapporteur insists in the close monitoring by the EP of progress in the development of the new policy.
- Need to develop a broad form of energy diplomacy, which must not be focused only on the EU's own security of supply. Energy security should constitute one of the cornerstones of the Neighbourhood Policy. Close cooperation in the energy field and the possibility of sharing energy reserves constitute one of the most effective and indispensable confidence-building measures.
- Inclusion of concrete provisions in the Treaties, covering security of supply, transit and investment, as already indicated in the negotiating mandate for the new Reform Treaty. In fact, the rapporteur's desire would be to equip the EU with institutional competence to negotiate the overall political energy security framework with producer and transit countries.
- Consultation among Member States and the Commission on strategic decisions concerning major bilateral agreements with third countries, proposing that where bilateral agreements have been reached, which run contrary to the interest of the EU as whole or other Member States, the Commission and the Member States should work together to neutralise any negative effects of such agreements. This is a practical reflection of the principle of solidarity and refers to decisions which have been already taken like the construction of Baltic pipeline. Building-up of energy crisis infrastructure, especially for gas, which could be used to assist the Member States in need, should also be given special attention.
- Inclusion of so called "energy security clause" in all agreements with producer and transit countries, which lay down a code of conduct and explicitly outline measures to be taken in the event of disruption of supply by one of the partners.
- Prioritization of all diversification projects creating new transport corridors, such as Central Asia-South Caucasus-Europe corridor, in particular the construction of the Nabucco pipeline, the interconnection of electricity grids and the completion of the

Euro-Mediterranean electricity and gas infrastructure rings and Odessa-Gdansk project. All instruments ranging from political dialogues and Community policies such as trade, development, competition, research and environment through to financial grants and loans, including those of the EIB, EBR, should be used in a coherent manner to speed up the completion of these infrastructure projects.

Furthermore, the rapporteur :

- Supports all steps aimed at promoting transparency, rule of law and improved governance in the energy sector through energy partnerships with third countries, with the objective of creating mutually beneficial, open, transparent, non-discriminatory, stable, legal conditions for energy investment in trade, to be based on the principle of reciprocity. In this connection, the rapporteur encourages the Commission to take appropriate steps to prevent uncontrolled investment of state-owned foreign companies in the EU's energy sector, in particular the gas and electricity transmission networks.
- Insists on the application of the Energy Charter Treaty, including the Transit Protocol by the EU's major energy partners, recalling that Russia is already bound by that Treaty, which should be the cornerstone of a common European foreign policy on energy. The report appeals on Russia to ratify the Charter, while recognising that the EU should also negotiate a formal framework document in the context of the new PCA negotiations, in order to clarify the obligations contained in Treaty, particularly in the Transit Protocol. Furthermore, it says that the ratification by Russia of the above would positively influence the EU's support for Russian accession to the WTO.

The rapporteur is fully aware that there is still a long and difficult way towards establishing a new common EU foreign policy on energy and, as it usually occurs with new ideas, there might be some resistance and fears to confer more responsibility to the Commission in this strategically important area. However, common threats to secure energy supplies necessitate a common response and this is the only efficient way to satisfy long term interests of the Union as a whole and its Member States. This would also serve as a new impetus to greater European integration. The reality of present challenges calls for an ambitious and courageous approach.

Today's European Union was built on concrete achievements, with the vision and instruments to serve it. The objective of this report is to let it happen once again!

3.7.2007

OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY (*)

for the Committee on Foreign Affairs

Towards a common European foreign policy on energy
(2007/2000(INI))

Draftswoman (*): Lena Ek

(*) Procedure with associated committees – Rule 47 of the Rules of Procedure

SUGGESTIONS

The Committee on Industry, Research and Energy calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Recalls that the EU's external energy policy is closely linked to its internal energy policy and stresses the need to create a common energy policy with regard to internal market regulation as well as external aspects that take into account the political and economic interests of all Member States; further notes that a common foreign and security policy is clearly a condition if Europe is to enjoy the credibility necessary with a view to protecting its energy interests on the global scene;
2. Calls on the Member States to include the principles of a common energy policy into the EC Treaty at the forthcoming intergovernmental conference so that there will be a solid basis for joint action in the energy field directed toward third countries;
3. Emphasises that the creation of a well-coordinated European energy network and the establishment of a truly competitive internal energy market will strengthen the EU's position vis-à-vis external suppliers;
4. Calls therefore on the Commission to put forward proposals for regulatory reform, based on the best practices identified in each Member State, and in particular full ownership unbundling of energy production and energy transmission and distribution, stronger independent national regulatory supervision and better coordination of the activities of

regulators at EU level with a view to encouraging the development of new and renewable energy sources, and a clear framework for enhancing investments in transmission infrastructures; also calls for the establishment of a multi-annual forward plan of EU-level priority investments in infrastructure (methane terminals, gas pipelines, high-voltage lines, decentralised power production plants, etc.) in order to define the funding priorities for the Community instruments (EIB, Structural Funds);

5. Stresses the importance of adopting a one voice approach toward third countries in order to ensure that a uniform message is sent in the discussions held at EU, Member State and industry levels;
6. Calls for a common strategy to secure supply and transit routes, ensuring solidarity within the EU; calls in this context for better defined solidarity mechanisms and technical standards to ensure rapid assistance to Member States facing difficulties in energy supply; calls also for an integrated EU emergency mechanism to bolster the security of the oil and gas supply;
7. Stresses the need to promote international cooperation with third country research centres in the development of renewable energies such as wind and solar power and energy efficiency as well as passive housing and sustainable cities, clean coal technologies and biofuels, without negative environmental impacts, in less developed countries and in partnership with strongly developing countries; believes that EU know-how relating to renewables and energy efficiency should be transferred to such countries;
8. Urges the Commission to consider extending to other third countries the Energy Community comprising the EU and South Eastern Europe and creating new regional energy markets with neighbouring countries on the model of the South East Europe Energy Community, such as a Euro-Mediterranean energy community, in order to ensure security of supply; calls for enhanced energy cooperation with other countries, such as the United States of America, particularly with regard to energy efficiency technologies and the promotion of combined heat and power from renewables and sustainable biomass production and use; draws attention to the fact that the energy partnership between the Russian Federation and the EU can only be based on the principle of non-discrimination and fair treatment and on equal market conditions; calls for the EU to regard access to, and intelligent use of, sustainable energy sources in Africa and in developing countries elsewhere as a priority in its cooperation policies;
9. Considers potential import dependency on biofuels as worrying as dependence on external supplies of oil or gas; calls on the Commission to develop, together with the EU's partners, a global certification scheme which can ensure the sustainability of the production and use of biofuels that do not pose a threat to biodiversity, together with standards for the cultivation and processing phases as well as for the overall life-cycle balance of greenhouse gases;
10. Suggests that partnership and cooperation agreements with oil and gas producing regions must be used to ensure transparency, reciprocity and market access in supply countries, to foster investment in exploitation and transport infrastructure and to secure long-term supply;

11. Calls for any forthcoming agreement on energy cooperation between the EU and the Russian Federation to include a provision on mutual access to infrastructures and to address the issue of technical failures in third countries which affect cross-border supplies to the Member States; stresses that the Russian Federation's ratification and implementation of the Transit Protocol and the Energy Charter Treaty are instrumental to ensuring future investment in the Russian Federation's energy infrastructure and to ensuring an adequate gas supply to the EU in the future;
12. Recalls the Russian Federation's commitment to apply the Energy Charter Treaty, to which the Russian Federation is a signatory, provisionally, in accordance with Article 45(1) thereof; urges the Commission and the Council to require the Russian Federation to act in accordance with its commitments in the field of energy;
13. Hopes that the Russian Federation is ready for an open, thoroughgoing discussion aimed at establishing a fair and mutually acceptable energy relationship with the EU;
14. Recognises that the EU's dependency on imported energy has significant effects on the independence of its decision-making in other policy areas; stresses therefore, that strong action is to be taken in supporting the development and use of indigenous, low-carbon energy sources; recalls that especially one-sided dependency should be avoided;
15. Considers the use of energy supply as a politically motivated policy instrument unacceptable; calls on the Council and the Commission to react to these acts jointly and demonstrate their support of and solidarity with the Member States concerned;
16. Acknowledges the EU's dependency on traditional energy supplies such as oil and gas; regrets the importance of oil for the EU economy and calls for decreased dependence on imported oil; emphasizes that improving the EU's energy security and reducing its vulnerability to supply disruptions requires the diversification of sources of oil supply among several countries and routes; calls for enhanced use of alternative fuels and energy saving measures and research in these areas (in the construction, transport and energy transformation sectors);
17. Recognizes the growing importance of gas and the need to diversify gas supply and routes, including for example the development of liquefied natural gas terminals and storage facilities as well as new pipelines, and welcomes the reference in the Presidency Conclusions of the Brussels European Council (8 and 9 March 2007) emphasising the high importance of the Nabucco gas pipeline as one of the projects of European interest;
18. Is alarmed by the recent development which could diminish the EU's ability to diversify its gas suppliers and transit routes, namely the alleged initiative to create an international gas cartel; calls on the Commission and the Member States to pursue active policies at the highest political level to enable the EU to diversify its natural gas sources;
19. Calls on the Member States and the Commission to thoroughly consider the environmental aspects before approving further major infrastructure investments; in particular, urges them to consider the threat to ecosystems and human life represented by the planned North European Pipe Line/Nord Stream due to the existence of ammunition and weapons dumps on the seabed along the path of the planned pipeline at the bottom of

the Baltic Sea;

20. Regards it as vital for the EU to continue to lead the global fight against climate change and to strive for achievement of the Kyoto protocol targets, recalling the conclusions of the Stern report on the economic opportunities linked to compliance with the Kyoto criteria and the risks involved for developing economies; considers it necessary to integrate the EU's endeavours in the development of renewable and clean energy sources and technologies for energy saving and efficiency into all external relations.

PROCEDURE

Title	Towards a common European foreign policy on energy		
Procedure number	2007/2000(INI)		
Committee responsible	AFET		
Opinion by Date announced in plenary	ITRE 18.1.2007		
Enhanced cooperation – date announced in plenary	18.1.2007		
Drafts(wo)man Date appointed	Lena Ek 27.2.2007		
Previous drafts(wo)man	Jacek Saryusz-Wolski		
Discussed in committee	11.4.2007	3.5.2007	25.6.2007
Date adopted	26.6.2007		
Result of final vote	+: 36 -: 1 0: 0		
Members present for the final vote	Šarūnas Birutis, Jan Březina, Philippe Busquin, Jerzy Buzek, Jorgo Chatzimarkakis, Giles Chichester, Silvia Ciornei, Vera Pilar del Castillo, Den Dover, Lena Ek, Nicole Fontaine, Adam Gierek, Norbert Glante, Umberto Guidoni, András Gyürk, Rebecca Harms, Romana Jordan Cizelj, Werner Langen, Romano Maria La Russa, Pia Elda Locatelli, Teresa Riera Madurell, Eugenijus Maldeikis, Angelika Niebler, Miloslav Ransdorf, Vladimír Remek, Herbert Reul, Andres Tarand, Britta Thomsen, Radu Țîrle, Catherine Trautmann, Alejo Vidal-Quadras, Dominique Vlasto		
Substitute(s) present for the final vote	Alexander Alvaro, Christian Ehler, John Purvis, Hannes Swoboda, Silvia-Adriana Țicău		
Substitute(s) under Rule 178(2) present for the final vote			
Comments (available in one language only)			

3.5.2007

OPINION OF THE COMMITTEE ON DEVELOPMENT

for the Committee on Foreign Affairs

on Towards a common European foreign policy on energy
(2007/2000(INI))

Draftsman: Anders Wijkman

SUGGESTIONS

The Committee on Development calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Welcomes the Commission's Communication to the European Council: External Energy Relations - from Principles to action, which incorporates the climate change and energy security agendas, as well as energy and development policies; stresses that, in planning and implementing its energy policy, the European Union must respect the principles which underpin its development cooperation policy; regrets that insufficient financial resources have been earmarked for addressing the challenge of energy and development;
2. Stresses that the EU's cooperation with developing countries in the field of energy supply must incorporate the aspect of sustainability; considers that one objective should be to ensure that developing countries have the capacity to take account of climate considerations in national decision-making processes, have properly functioning energy markets, can participate in international institutions and have the capacity to develop policies for sustainable energy, giving priority to both efficiency and renewables;
3. Stresses that energy is a cross-cutting issue with high development potential, as access to affordable energy services is imperative for satisfying basic needs and providing a host of labour-saving devices and income-generating opportunities;
4. Stresses that economic development does not have to mean repeating the polluting practices of the industrialized countries; calls for additional sustainable energy capacity building and technology cooperation; stresses the potential benefits for developing countries of access to the technologies developed, or being developed, by the European Union and to its programmes in the areas of energy production and demand side management; calls for sufficiently funded energy partnerships to be established with

countries like China and India where rapidly increasing GHG emissions pose a great threat to climate stability and thus to development; considers that these partnerships should have the aim of bringing about sustainable development and should neither replace development cooperation nor count towards the aid targets which the EU has committed itself to;

5. Stresses that preconditions for renewable technologies are excellent in many developing countries, providing an effective way of meeting soaring oil costs; suggests that support for renewable energy production in partner countries – based on strict sustainability criteria – should be a top priority for multilateral finance institutions;
6. Welcomes the EU-Africa energy partnership; stresses that the primary focus should be the provision of affordable energy for poverty reduction based on efficiency and renewable energy sources rather than securing European energy supply;
7. Stresses the high vulnerability of populations in many low-income countries to weather-related disasters as a consequence of climate change; expresses particular concern over the serious threats to development and the achievement of the Millennium Development Goals because of the expected increase in the frequency of heavy storms and floods, increased shortage of fresh water as well as rising sea-levels; calls urgently for the integration of disaster prevention and risk reduction in poverty reduction strategies;
8. Calls on the Commission to promote the strengthening of the energy-related aspects of the activities of multilateral organisations in the area of trade, finance and development and in particular of the World Trade Organization, the World Bank and its Investment Framework for Clean Energy and Sustainable Development; the International Finance Corporation, and the UN Framework Convention on Climate Change and to give greater support to multilateral technical initiatives such as the Global Gas Flaring Reduction Partnership, Extractive Industries Transparency Initiative, Financial Action Task Force, IFC Equator Principles and Inogate;
9. Stresses that a precarious energy and climate situation is likely to be the trigger for international crises and conflicts, with catastrophic consequences for democracy, human rights and development, as exemplified by the conflict in Darfur; therefore calls for an increased recognition by the international community of the security dimension of the energy and climate challenge, along with its economic, environmental and developmental concerns;
10. Notes the leading role of the European Union in development assistance, stresses that development policies and cooperation programmes should be based on partnership relations with developing countries; donors' policies and actions should provide incentives for a mutually beneficial relationship with the recipient countries and should take into account the close link between energy policy and policies in other sectors such as agriculture, trade, environment, demography, health and education;
11. Underlines the unacceptable situation in many oil- and gas-producing States in terms of the lack of transparency as to how oil and gas resources are used and the lack of development benefits from such energy resource riches; calls therefore for bold initiatives by the EU to move good governance to the centre of energy security; calls for

transparency in the management of extractive industries such as oil production on the part of both governments and companies, and demands that full disclosure of how oil and gas revenues are used be made a precondition for the importing of these resources into the EU; moreover, calls for clever sanctions against corrupt practices in oil and gas producing States;

12. Calls on the Member States to assume their responsibilities in the field of sustainable energy as a part of a common European energy strategy in their relations with developing countries.

PROCEDURE

Title	Towards a common European foreign policy on energy	
Procedure number	2007/2000(INI)	
Committee responsible	AFET	
Opinion by Date announced in plenary	DEVE 18.1.2007	
Enhanced cooperation – date announced in plenary		
Drafts(wo)man Date appointed	Anders Wijkman 30.1.2007	
Previous drafts(wo)man		
Discussed in committee	2.5.2007	10.4.2007
Date adopted	3.5.2007	
Result of final vote	+: 23 -: 0 0: 0	
Members present for the final vote	Margrietus van den Berg, Josep Borrell Fontelles, Danutė Budreikaitė, Thierry Cornillet, Ryszard Czarnecki, Emanuel Jardim Fernandes, Filip Kaczmarek, Maria Martens, Miguel Portas, José Ribeiro e Castro, Toomas Savi, Frithjof Schmidt, Feleknaš Uca, Anna Záborská, Jan Zahradil	
Substitute(s) present for the final vote	Milan Gaľa, Ana Maria Gomes, Alain Hutchinson, Manolis Mavrommatis, Ralf Walter, Anders Wijkman, Gabriele Zimmer	
Substitute(s) under Rule 178(2) present for the final vote	Michael Gahler	
Comments (available in one language only)	...	

2.3.2007

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on Foreign Affairs

towards a common European foreign policy on energy
(2007/2000(INI))

Draftsman: Jean-Pierre Audy

SUGGESTIONS

The Committee on International Trade calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Underlines the important role of the international trade system and trade agreements in providing a stable regulatory framework to generate the appropriate environment for achieving, in particular, renewable and sustainable energy solutions;
2. Encourages cross-investment operations, the reciprocal opening up of markets, compliance with competition rules and strategic visions with regard to long-term contracts;
3. Supports the principle of widening the energy community so as to create a pan-European energy community operating with transparent market economy rules;
4. Calls on the Commission to promote fair competition at international level by taking action within the World Trade Organisation (WTO) in support of specific rules on the transparency of the energy market and, in particular, on trade-distorting measures;
5. Recommends that the Commission evaluate, within the WTO, the possibility of negotiating plurilateral agreements for specific energy markets, such as biofuels, and that it report back to the European Parliament as soon as possible;
6. Considers that it is necessary to include a section dealing with energy in all new EU trade agreements;
7. Calls on the Commission to organise high-level meetings between the main importing countries and those supplying the EU, starting with oil and gas;

8. Expects the world-wide demand for scientific research in the field of energy to increase as a result of increased energy prices; regards European manufacturers, in view of the technological lead they have taken, as particularly well-placed to meet that demand; urges the Commission, therefore, to implement, in conjunction with the manufacturers and the Member States, measures to support scientific research in the field of energy and, in particular, to support research into the wider use of renewable sources and hydrogen, and to support ITER (the International Thermonuclear Experimental Reactor), a project which involves the US, Japan, Russia, China, India and Korea in addition to the EU;
9. Emphasises that the main priority of the EU's external energy policy must be reduced dependence on fossil fuels from a few big suppliers and that a long-term strategy to diversify its energy sources must be formulated;
10. Believes that a global system for capping and trading CO₂ emission permits under the Kyoto Protocol would help to reduce the growth in worldwide energy demand; stresses that such a system should draw on the UN-endorsed principle of 'contraction and convergence', whereby, over time, all countries converge at equal global per capita emission shares; moreover, also believes that reducing emissions from ships and aircraft will contribute to the abovementioned objective;
11. Calls on the Commission to take more account of the links between energy policy and climate in its trade policy;
12. Stresses the need to maintain and promote the use of all locally available clean resources, in particular by converting part of European agricultural production to promote the use of sustainable biomass and the development of second-generation biofuels, in order to help reduce dependence on imports, as well as by expanding hydroelectric plants, and welcomes the Commission's recent proposal to set a binding minimum target for biofuels of 10% of vehicle fuel by 2020;
13. Emphasises the importance for the EU of further developing a single European voice at international level in support of its energy policy objectives.

PROCEDURE

Title	Towards a common European foreign policy on energy	
Procedure number	2007/2000(INI)	
Committee responsible	AFET	
Opinion by Date announced in plenary	INTA 18.1.2007	
Draftsman Date appointed	Jean-Pierre Audy 18.12.2006	
Discussed in committee	23.1.2007	27.2.2007
Date adopted	27.2.2007	
Result of final vote	+: 18 -: 1 0: 2	
Members present for the final vote	Françoise Castex, Christofer Fjellner, Béla Glattfelder, Ignasi Guardans Cambó, Eduard Raul Hellvig, Jacky Henin, Sajjad Karim, Ģirts Valdis Kristovskis, Marusya Ivanova Lyubcheva, Albert Jan Maat, Vural Öger, Georgios Papastamkos, Robert Sturdy, Gianluca Susta, Zbigniew Zaleski	
Substitute(s) present for the final vote	Jean-Pierre Audy, Panagiotis Beglitis, Elisa Ferreira, Jens Holm, Javier Moreno Sánchez, Carl Schlyter	

11.6.2007

OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY

for the Committee on Foreign Affairs

Towards a common European foreign policy on energy
(2007/2000(INI))

Draftsman: Umberto Guidoni

SUGGESTIONS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Welcomes the Presidency Conclusions of the Brussels European Council of 8 and 9 March 2007 which clearly state that “[t]he challenges of climate change need to be tackled effectively and urgently”; consequently, considers it necessary to draw up a framework for action;
2. Recognises the significance of the potential risks to international security linked to climate change caused, inter alia, by the increasing scarcity of fresh water resources, mass migrations and the asymmetry between the regions suffering most from the effects of climate change and those chiefly responsible for emissions; welcomes the UN Security Council's first discussion on the global security threats linked to climate change;
3. Reiterates its call for the fight against climate change no longer to be a matter solely for climate diplomats and environmental policy activists, but instead to be included in foreign, trade and other policy areas and placed at the centre of the activities of the EU and the Member States;
4. Calls on the EU to adapt its activities and financial resources to the challenges of an energy and climate policy;
5. Welcomes plans to establish a network of energy correspondents to assist the EU's early response in the event of an energy security crisis; emphasises the importance of providing early warning systems on environmental threats;

6. Stresses that energy production and consumption are the main sources of greenhouse gas emissions and points out that an integrated approach to the environment and energy is needed in order to realise the objectives of a sustainable energy policy for Europe, namely:
 - to pursue environmental objectives and combat climate change as already underlined by Parliament in its resolution of 14 February 2007¹,
 - to increase security of energy supply and curb the rise in energy prices,
 - to promote cooperation between European and neighbouring countries, pursuant to, inter alia, the Treaty establishing the Energy Community, since there is currently no fair competition apparent on the European energy market;
7. Recalls the importance of an integrated approach which is a key element to ensuring coherence between the internal and external aspects of energy policy, and between energy policy and other related policies; points out that the EU's dependency on imported energy has significant repercussions on its independence in decision-making in other policy areas; stresses, therefore, the need for strong action to support the development and use of indigenous energy sources;
8. Calls on the EU to strengthen its credibility by means of a common foreign policy that encompasses energy issues;
9. Recalls the need to achieve a more interconnected and integrated internal market for gas and electricity in order to have an effective and common European foreign policy on energy; stresses the importance of 'speaking with the same voice' in dealings with third countries in order to guarantee a uniform message in discussions at EU, Member State or industry level;
10. Calls for more openness and consultation to ensure that environmental and safety concerns are met before the construction of new gas and oil pipelines is commenced, including the underwater Baltic Sea pipeline;
11. Calls on the EU to ensure that the construction of the Baltic Sea pipeline between Russia and Germany is accompanied from the outset by comprehensive environmental studies (for example of weaponry and munitions that are still on the seabed) which will rule out any risk to the safety of the environment; notes that, if the plan should be implemented, existing environmental standards must be observed;
12. Calls on the Member States to promote a substantial increase in energy efficiency, as this is the most effective policy, with concrete actions to achieve this aim, such as the abolition of VAT on effective efficiency measures such as insulation, the prevention of energy waste and the development of renewable and low-emission energy sources;
13. Considers that through well-balanced national tax/levy systems energy efficiency can be increased in Member States and unnecessary energy consumption prevented;
14. Underlines the importance of preventing energy over-consumption, and therefore urges the Member States to promote public transport and the development of public transport

¹ *Texts Adopted*, P6_TA(2007)0038.

infrastructures, as well as the development and modernisation of district heating systems; stresses in this respect that, in the event of an energy crisis, a switch to a different energy source is easier to achieve where district heating is used;

15. In the context of incentives for biofuel or biomass use in the EU, it is imperative that the EU ascertains that such use does not threaten global food security, lead to increased pressure on natural forests, an expansion in monocultures or exotic species plantations, or to the exacerbation of climate change through tropical deforestation;
16. Calls on the EU to initiate common international action to reduce the unsustainable growth in energy demand and to make the transition to a low carbon economy; such action should contribute to the following objectives:
 - the fixing of highly ambitious quantified targets in each relevant sector with regard to energy efficiency, renewable energy and the use of biofuel, which would allow the EU to be at the forefront of combating climate change and to become the world leader in developing environmentally friendly and cutting-edge energy technologies;
 - support for the development and use of renewable energy (wind, solar, biomass, hydro, geothermal) in the EU and in third countries, together with the inclusion of more programmes for clean and efficient energy in the EU's development policy, which would ensure a fair transfer of technologies, and bring benefits in terms of leadership in developing international markets, although it must be remembered that, in the development and use of the abovementioned renewable energies, a certain lead time is necessary before they become profitable;
17. Calls on the EU to enter into dialogue with the United States and Asian countries on a significant increase in energy efficiency and to exert greater influence over the countries of east and central Asia, ; i
18. Calls on the EU to hold a special dialogue with developing countries on energy issues and to use Community instruments (such as the recently adopted Global Energy Efficiency and Renewable Energy Fund) to find additional financial resources to enhance the development of decentralised renewable energy, energy accessibility and sustainability in those countries, as well as energy infrastructure of common interest, while promoting energy efficient technologies with lower carbon emissions.
19. Calls on the EU, in addition to providing financial support for developing countries, to deploy its technologies at international level and to enter into dialogue with those countries, in which the EU should act as a role model and the use of shared energy infrastructures should be seen as the long-term goal;
20. Calls on the EU to actively seek new types of energy partnerships with countries which have a large potential for renewable hydrogen or electricity production and/or for exporting of, inter alia, concentrated solar power;
21. Stresses that the growing dependence of the EU on energy imports could create future political difficulties; notes with concern that criticism of the human rights situation in gas- and oil-supplying countries is often not expressed as clearly as it should be for fear of supplies being restricted;

22. Stresses that the principle of developing environment-friendly and energy-efficient technologies should be incorporated into a new agreement between the EU and Russia; emphasises the importance of increasing EU-Russia cooperation on environmental matters within the framework of the Northern Dimension;
23. Considers that the establishment of a European regulatory authority will make a significant contribution to the achievement of a European foreign policy on energy;
24. Stresses that, despite the importance of securing energy supplies through, inter alia, foreign policy measures, the primary aims of the EU's foreign policy and those of the Member States, namely safeguarding human rights, promoting democracy and the rule of law, maintaining the transatlantic partnership and, above all, guaranteeing peace, must never be called into question;
25. Calls for an urgent climate impact assessment of EU external assistance and support from international financial institutions; recognises the priority of achieving the Millennium Development Goals for developing countries; is convinced that intelligent energy technologies, renewable energy sources and energy efficiency in particular have great potential for increasing access to energy supplies without a growth in emissions while reducing dependency on external energy sources and achieving climate goals in conjunction with development objectives;
26. Supports the proposed energy partnership with Africa; however, strongly recommends that a similar partnership be established with China and India as well, bearing in mind the very rapid growth of greenhouse gas emissions in these countries and the urgent need to assist them in capacity building as well as in investing in renewable energy sources and energy-efficient technologies.

PROCEDURE

Title	Towards a common European foreign policy on energy
References	2007/2000(INI)
Committee responsible	AFET
Opinion by Date announced in plenary	ENVI 18.1.2007
Enhanced cooperation – date announced in plenary	
Draftsman Date appointed	Umberto Guidoni 27.2.2007
Previous drafts(wo)man	
Discussed in committee	2.5.2007
Date adopted	5.6.2007
Result of final vote	+: 49 –: 0 0: 1
Members present for the final vote	Adamos Adamou, Georgs Andrejevs, Liam Aylward, Irena Belohorská, Johannes Blokland, John Bowis, Hiltrud Breyer, Martin Callanan, Dorette Corbey, Chris Davies, Avril Doyle, Mojca Drčar Murko, Edite Estrela, Jill Evans, Karl-Heinz Florenz, Matthias Groote, Erna Hennicot-Schoepges, Jens Holm, Caroline Jackson, Dan Jørgensen, Christa Klač, Eija-Riitta Korhola, Holger Krahmer, Urszula Krupa, Peter Liese, Jules Maaten, Linda McAvan, Alexandru-Ioan Morțun, Riitta Myller, Péter Olajos, Miroslav Ouzký, Antonyia Parvanova, Vittorio Prodi, Guido Sacconi, Daciana Octavia Sârbu, Karin Scheele, Carl Schlyter, Richard Seeber, María Sornosa Martínez, Antonios Trakatellis, Evangelia Tzampazi, Thomas Ulmer, Marcello Vernola, Glenis Willmott
Substitute(s) present for the final vote	Alfonso Andria, Iles Braghetto, Umberto Guidoni, Caroline Lucas, Miroslav Mikolášik, Alojz Peterle
Substitute(s) under Rule 178(2) present for the final vote	-
Comments (available in one language only)	-

PROCEDURE

Title	Towards a common European foreign policy on energy			
Procedure number	2007/2000(INI))			
Committee responsible Date authorisation announced in plenary	AFET 18.1.2007			
Committee(s) asked for opinion(s) Date announced in plenary	DEVE 18.1.2007	INTA 18.1.2007	ENVI 18.1.2007	ITRE 18.1.2007
Not delivering opinion(s) Date of decision				
Rapporteur(s) Date appointed	Jacek Saryusz-Wolski 28.11.2006			
Discussed in committee	5.6.2007	16.7.2007	3.9.2007	
Date adopted	3.9.2007			
Result of final vote	+ 45 - 3 0 4			
Members present for the final vote	Roberta Alma Anastase, Christopher Beazley, Angelika Beer, Bastiaan Belder, André Brie, Elmar Brok, Colm Burke, Hélène Flautre, Hanna Foltyn-Kubicka, Michael Gahler, Jas Gawronski, Maciej Marian Giertych, Klaus Hänsch, Jana Hybášková, Jelko Kacin, Metin Kazak, Bogdan Klich, Vytautas Landsbergis, Emilio Menéndez del Valle, Eugen Mihăescu, Francisco José Millán Mon, Philippe Morillon, Annemie Neyts-Uyttebroeck, Raimon Obiols i Germà, Vural Öger, Ria Oomen-Ruijten, Justas Vincas Paleckis, Ioan Mircea Pașcu, Tobias Pflüger, Hubert Pirker, Samuli Pohjamo, Bernd Posselt, Libor Rouček, José Ignacio Salafranca Sánchez-Neyra, Jacek Saryusz-Wolski, István Szent-Iványi, Antonio Tajani, Charles Tannock, Geoffrey Van Orden, Kristian Vigenin, Josef Zieleniec			
Substitute(s) present for the final vote	Laima Liucija Andrikiienė, Maria Badia i Cutchet, Mariela Velichkova Baeva, Árpád Duka-Zólyomi, Lilli Gruber, Milan Horáček, Evgeni Kirilov, Jaromír Kohlíček, Nickolay Mladenov, Aloyzas Sakalas, Csaba Sándor Tabajdi			
Substitute(s) under Rule 178(2) present for the final vote				
Date tabled	11.9.2007			