REPORT

on European Energy Security Strategy (2014/2153(INI))

Committee on Industry, Research and Energy

Rapporteur: Algirdas Saudargas
## CONTENTS

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION</td>
<td>3</td>
</tr>
<tr>
<td>EXPLANATORY STATEMENT</td>
<td>33</td>
</tr>
<tr>
<td>OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS</td>
<td>36</td>
</tr>
<tr>
<td>OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE</td>
<td>39</td>
</tr>
<tr>
<td>OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY</td>
<td>45</td>
</tr>
<tr>
<td>OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION</td>
<td>52</td>
</tr>
<tr>
<td>RESULT OF FINAL VOTE IN COMMITTEE</td>
<td>57</td>
</tr>
</tbody>
</table>
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on European Energy Security Strategy
(2014/2153(INI))

The European Parliament,

– having regard to Article 194 of the Treaty on the Functioning of the European Union (TFEU),


– having regard to the Commission communication entitled ‘Energy efficiency and its contribution to energy security and the 2030 framework for climate and energy policy’ (COM(2014)0520),

– having regard to the Commission communication entitled ‘Progress towards completing the internal energy market’ (COM(2014)0634),

– having regard to the Commission communication entitled ‘Short term resilience of the European gas system. Preparedness for a possible disruption of supplies from the East during the autumn and winter of 2014/2015’ (COM (2014)0654),

– having regard to the Commission communication entitled ‘A Framework strategy for a resilient Energy Union with a forward-looking climate change policy’ (COM(2015)0080),


– having regard to the Commission communication entitled ‘A policy framework for climate and energy in the period from 2020 to 2030’ (COM(2014)0015),

– having regard to the Commission communication entitled ‘For a European Industrial Renaissance’ (COM(2014)0014),

– having regard to the European Council conclusions of 20/21 March 2014,

– having regard to the European Council conclusions of 26/27 June 2014,

– having regard to the European Council conclusions of 23/24 October 2014,

– having regard to the public hearing on the European Energy Security Strategy organised by the Committee on Industry, Research and Energy on 5 November 2014,

No 67/2010,

– having regard to the Regulation of the European Parliament and of the Council on the European Fund for Strategic Investments and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013,


– having regard to the Commission communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions entitled ‘A Clean Air Programme for Europe’ (COM(2013)0918),

– having regard to the Commission communication entitled ‘Long-term infrastructure vision for Europe and beyond’ (COM(2013)0711), which sets out the list of energy infrastructure projects of common interest (PCIs),


– having regard to the report by the Council of the European Union of 12 December 2013 on the progress on the completion of the EU internal energy market in the follow-up to the European Council of 22 May 2013,

– having regard to the Commission communication entitled ‘Promotion of clean and energy-efficient road transport vehicles’ (COM(2013)0214),

– having regard to the Commission communication entitled ‘The future of Carbon Capture and Storage in Europe’ (COM (2013)0180),

– having regard to its implementation report 2013: developing and applying carbon capture and storage technology in Europe,

having regard to the Commission communication entitled ‘Making the Internal Energy Market Work’ and the accompanying working documents (COM(2012)0663),

having regard to the Commission communication entitled ‘Energy Roadmap 2050’ (COM(2011)0885) and to Parliament’s own-initiative report ‘Energy Roadmap 2050, a future with energy’ (2012/2103(INI)),

having regard to the Commission communication on security of energy supply and international cooperation entitled ‘The EU Energy Policy: Engaging with Partners beyond Our Borders’ (COM(2011)0539),

having regard to the Commission communication entitled ‘Roadmap for moving to a competitive low-carbon economy in 2050’ (COM(2011)0112),

having regard to Directive 2010/30/EU of the European Parliament and of the Council of 19 May 2010 on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products,


having regard to the Commission communication entitled ‘Energy infrastructure priorities for 2020 and beyond – a blueprint for an integrated European energy network’ (COM(2010)0677),

having regard to the Commission communication entitled ‘A European strategy on clean and energy-efficient vehicles’ (COM(2010)0186),


having regard to the report of the High Level Reflection Group on the Energy Community for the Future,

having regard to Directive 2009/33/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of clean and energy-efficient road transport vehicles,


having regard to Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and
amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC,

– having regard to the Memorandum of Understanding on the Baltic Energy Market Interconnection Plan of 17 June 2009, signed by the Baltic Sea Member States and the Commission,


– having regard to Rule 52 of its Rules of Procedure,

– having regard to the report of the Committee on Industry, Research and Energy and the opinions of the Committee on Foreign Affairs, the Committee on International Trade, the Committee on the Environment, Public Health and Food Safety and the Committee on the Internal Market and Consumer Protection (A8-0164/2015),

A. whereas the EU’s prosperity and security require a rational and highly efficient use of energy and a stable, affordable and sustainable energy supply, and whereas energy security means above all political independence;

B. whereas significant progress has been made in strengthening the EU’s energy security over the last years through an increasing share of renewables as well as a reduction in overall demand, which has contributed to a stabilisation of import dependency; whereas, however, the EU still imports 53 % of its total energy consumption, namely 85 % of its oil, 67 % of its gas, 41 % of its solid fuels and about 95 % of its uranium; whereas a large proportion of the EU’s energy imports are coming from geopolitically unstable regions and a number of Member States are still dependent on a single external source of supply, which leads to high costs to citizens, enterprises and public budgets, impedes Europe’s economic growth and prosperity and endangers national and EU security;

C. whereas 61 % of gas imported into the EU is used in buildings, mainly for heating purposes, and 75 % of these are residential buildings, and therefore any gas supply crisis is also a heat supply crisis; whereas the fastest and least costly way to reduce the gas consumption in the Union is the reduction of energy losses in residential buildings, providing energy security benefits; whereas the EU is without a strategy on heat as it relates to security of supply, decarbonisation or affordability and competitiveness; whereas any interruptions in heat gas supply leading to inadequate heating put at risk the health and wellbeing of a large proportion of EU citizens;

D. whereas a reliable long-term energy strategy should take into account the uncertainty related to oil and gas market volatility with periodic and temporary price fluctuations;

E. whereas the EU’s external energy bill represents more than EUR 1 billion per day – EUR 400 billion in 2013 – and more than one fifth of total EU imports; whereas the
global price of oil has fallen significantly, providing the EU with an opportunity to take major steps in transforming our energy landscape, by investing in renewable energy production, grasping the energy efficiency potential of buildings and industry, and developing smart infrastructure; whereas money spent on importing fossil fuels contributes little to investment, jobs or growth in the Union and redirecting this money to internal investments would stimulate growth and create high-quality, high-skilled local jobs;

F. considering that avoided imported fuel costs due to increasing use of renewable energy amount to at least some EUR 30 billion per year;

G. whereas in the context of the crisis in Ukraine the issue of ensuring a reliable energy supply is more important than ever, as is that of diversification of energy supplies and over-reliance on energy imports;

H. whereas from the experience of 2006 and 2009, when Russia cut off gas supplies to Ukraine, it is clear that the disruptions experienced, and excessive dependence on external energy suppliers, in some of the central and eastern European Member States evidenced the strategic weakness of current energy supply arrangements; whereas these disruptions show that the measures already taken in the energy sector have been insufficient to eliminate Europe’s reliance on Russian gas;

I. whereas the EU is heavily dependent on one single country, the Russian Federation, which is the biggest importer of oil (35%), gas (26%), coal (30%), and uranium (25%) to the EU; whereas the Russian Federation uses energy supplies as a political weapon and such actions go against market rationale and seriously increase risks for the EU;

J. whereas using oil and natural gas for reasons of foreign policy and for the destabilisation of other countries undermines economic growth and, even more dangerously, democratic stability in Europe and the independence of sovereign states;

K. whereas a policy for energy security must address the need for stable supply from different energy sources, providing the European economy with the energy needed for transport, industry and housing in a way that supports competitiveness and climate policy, at the same time as minimising dependence on those who deliberately aim to use energy resources for their own political purposes in order to influence political developments in other countries;

L. whereas the so-called ‘winter package’ of USD 4.6 billion was agreed on 30 October 2014 and is being implemented, securing gas supply for Ukraine and also for EU Member States but only for a limited time;

M. whereas the Member States have committed themselves to the completion of the internal energy market by 2014 and to the elimination of the EU’s ‘energy islands’ by 2015;

N. whereas the Commission has drawn up the list of energy infrastructure projects of common interest to be implemented by 2020, which is being updated every two years
and should be in full compliance with EU climate, energy and state aid legislation; whereas the EU’s multiannual financial framework for 2014-2020 contributes to their funding under the Connecting Europe Facility and the Investment Plan, which should treat the infrastructure concerned as a priority;

O. whereas improved energy efficiency has partially decoupled economic growth from energy consumption over the last decade, and this process needs to be stepped up;

P. whereas, according to the Commission, energy intensity in industry fell by 19 % between 2001 and 2011; whereas more efficient household appliances could provide energy savings worth EUR 100 billion by 2020 and new buildings now consume only half as much energy as they did in the 1980s, and we must continue along this successful path;

Q. whereas the EU’s gas imports can be reduced by 2.6 % for every additional 1 % in energy savings, according to the Commission;

R. whereas an energy security strategy must prioritise low carbon technology and resources;

S. whereas the conclusions of the European Council meeting of 22 May 2013 called for priority to be given to phasing out environmentally or economically harmful subsidies, including for fossil fuels;

T. whereas the Commission’s Energy Roadmap 2050 finds that decarbonisation of the energy sector and a high renewables scenario is cheaper than a continuation of current policies, and that over time prices of energy from nuclear and fossil fuels will continue to rise, whereas the cost of renewables will decrease;

U. whereas according to the Commission, energy efficiency, renewable energy and a smart infrastructure are the three ‘no-regrets options’, given that energy efficiency is the ‘first fuel’ and is the cheapest and fastest way to lower the bills of EU households and industry, since renewable energy is produced in the EU and often near the place of consumption, creating sustainable local jobs, ensuring energy security and helping reach our climate goals, while a smart transmission and distribution network at EU level can prevent overcapacity and blackouts in the Member States;

V. whereas maintaining renewable energy as a central pillar of the EU’s energy and climate policies requires a Community approach and cooperation between Member States in order to achieve the renewable goals in a more cost-efficient manner and with better utilisation of specific regional potential in the EU;

W. whereas at their summit on 24 October 2014 the Heads of State and Government agreed on a binding renewable energy target at EU level for 2030 of at least 27 % and an indicative target at EU level of at least 27 % energy efficiency improvement, having in mind an EU level of 30 % and targeting especially those sectors in which the biggest savings could be reaped, and also endorsed a binding EU target of a reduction of at least 40 % in domestic greenhouse gas emissions by 2030 compared to 1990; whereas the EU maintains technological leadership in technologies related to renewable energy sources,
and this should be a vector of skilled employment and sustainable growth;

X. whereas President Juncker’s political priorities for the new Commission, announced on 15 July 2014, included the commitment to make Europe’s energy union the world’s number one in renewable energies;

Y. whereas President Juncker has publicly stated in his mission letter to Commissioners Cañete and Šefčovič that a binding 30 % objective for energy efficiency by 2030 is the minimum for the EU to be credible;

Z. whereas Parliament has twice called for binding climate and energy targets for 2030 of reductions of at least 40 % for CO\textsubscript{2} emissions, at least 30 % for renewables and 40 % for energy efficiency, to be implemented by means of individual national targets; whereas binding national and EU targets for energy efficiency and renewables create growth and jobs and would help secure the EU’s technological leadership in those fields;

AA. whereas the energy security strategy has to consider the rights of consumers, the predictability of the market for investors and a clear framework for industry;

AB. whereas industry is leaving the EU because of high energy costs, leading to the reduction of its share of GDP and effectively, loss of jobs; whereas the Commission has set the goal that industry’s share of GDP should be around 20 % by 2020;

AC. whereas the reindustrialisation target of 20 % of GDP must be given the same importance and priority as the climate change targets, low-carbon industries, energy efficiency and renewables;

AD. whereas the role and importance of electricity will continue to increase and political decisions at European and national level are necessary to ensure this;

AE. whereas better interconnection levels for electricity and gas will increase energy security, contribute to a higher integration of renewable energies, allow price convergence, benefit consumers and help balance supply and demand between the Member States; whereas the EU should develop a common regulatory framework to maximise the utility of the interconnection of electricity and gas, always ensuring the most affordable prices for consumers;

AF. whereas Parliament has asked for binding targets for minimum cross-border transmission capacity;

AG. whereas the energy system has recently become more decentralised, with renewable energy and storage capacities as well as flexible consumers connected to more active and smart distribution grids; whereas this trend is expected to continue in the future;

AH. whereas, alongside investment in transmission networks, investment in distribution networks is at least as crucial, certainly in view of the increasing decentralisation of the future energy landscape and the fact that 90 % of the renewable energy generated is coupled with distribution networks;
AI. whereas the faster implementation of smart grids will improve energy efficiency, increase the share of renewable energy sources and decentralise the energy system in order to strengthen energy security in the Member States;

AJ. whereas the external dimension of EU energy policy needs more coherence and is not yet able to contribute to playing its full role in terms of security of energy supply and the Union’s competitiveness;

AK. whereas Member States negotiate intergovernmental agreements separately and the Commission has limited oversight of them;

AL. whereas energy security is a key element in EU trade policy, and many energy partnerships have been established with third countries whose energy supply is largely dependent on fossil energies;

AM. whereas full implementation of the EU Third Energy Package as well as of the Second Climate and Energy Package and the consequent EU legislation in the field of energy efficiency is the responsibility of all Member States, and the lack of correct and timely transposition jeopardises the security of other Member States or of the EU as a whole;

AN. whereas the Energy Community Contracting Parties are part of the internal electricity and gas market and should be included on an equal footing in the struggle for pan-European security of supply;

AO. whereas 2015 is the European Year of Development and the post-2015 development agenda of the EU should be fully compatible with its external energy policy in the fields of climate, poverty eradication and respect for human rights;

AP. whereas cities are the source of more than 70% of CO₂ emissions and are responsible for 66% of energy consumption; whereas more than half the world’s population will live in urban areas by 2008 and this concentration is increasing, so that the figure by 2030 is estimated at 60%; whereas cities must change their consumption and growth patterns as they are at the heart of the problem but are also the area from which one can implement solutions faster and earlier;

AQ. whereas the promotion of the exploitation of indigenous conventional oil and gas resources in full compliance with the EU acquis, both in traditional production areas (e.g. the North Sea) and in newly discovered areas (e.g. the Eastern Mediterranean and the Black Sea) will lessen the dependence of the EU on external suppliers and transit countries;

AR. whereas an energy security strategy must include a framework of cost-efficient actions to moderate energy demand and equally effective actions to overcome major and imminent disruptions, as well as solidarity and coordination mechanisms to protect and strengthen energy generation, smart transmission and distribution infrastructure and interconnectors; whereas this infrastructure must be capable of handling variable renewables and microgeneration, and be built into a fully integrated and well-functioning internal energy market that includes a market for moderating energy demand, as an essential part of an Energy Union with diversified external supplies and
Towards a European Energy Union

1. Welcomes the Commission communication entitled ‘European Energy Security Strategy’, noting that it is based on a thorough analysis of the EU’s energy dependence, highlighting the main areas, and describes the essential work that must be undertaken in the short, medium and long-term perspectives in order to overcome the challenges to energy security; stresses the need to ensure that the short and medium-term measures are in full compliance with the EU’s long-term energy, climate and environment policy objectives;

2. Notes that equal energy security, competitiveness and sustainability in a fully integrated energy market constitute the main pillars for the creation of an Energy Union, which can be achieved by moderating and reducing energy demand, developing and integrating sustainable energy sources, pooling resources, connecting networks, reducing distance between interdependent production chains, developing smart grids, ensuring unified energy market regulation, favouring access to a sufficient amount of energy for every citizen, and establishing unified negotiating positions vis-à-vis third countries through strengthened measures at EU level and more cohesive and better coordinated national policies and action;

3. Notes that the 2014 crisis in Ukraine and the results of the stress tests carried out by the Commission should lead to further acceleration of the completion of the internal market, including the full implementation of existing legislation in the fields of energy and climate by all Member States, the integration of existing ‘energy islands’, and to the updating of risk assessments, preventive action plans and emergency situation plans;

4. Underlines that an ambitious climate policy is consistent with the goals of energy security and less dependence on those parts of the world where strategic energy resources are used as a part of foreign policy;

5. Emphasises that, given that the gas stress tests carried out by the Commission demonstrated the EU’s vulnerability by reason of its import dependence on third countries, attention needs to be paid to the most vulnerable Member States; calls on the Member States and the Commission to implement without delay the recommendations of the gas system stress tests at European, regional and national levels;

6. Stresses the importance for strengthening energy independence of short-term measures such as reducing energy demand, development of renewables and their storage, storage of gas, development of reverse gas flow infrastructure, support for new projects which enable maximum use of existing infrastructure, preparation of regional security of supply plans, and more effective use of the opportunities to import liquefied natural gas, especially in those Member States which are exclusively dependent on, or unduly vulnerable to, one single supplier of natural gas; draws attention to the key importance of improving links between Member States’ energy networks in order to establish an integrated energy market; points out that for all these reasons there is a vital need for cooperation between European cities and municipalities, regions, energy cooperatives and local initiatives in various sectors, the Commission, Member States, neighbouring
countries, regulatory bodies, ACER, transmission system operators and gas suppliers and storage operators;

7. Emphasises that the Energy Union, in addition to ensuring security of supply, should adopt a comprehensive approach focusing on key dimensions such as achievement of a fully integrated internal energy market, moderation of energy demand, decarbonisation of the energy mix (essentially based on renewable energy sources), and research and innovation aimed at leadership in energy technologies stresses that European citizens should be at the core of the Energy Union and should be provided with secure, sustainable and affordable energy sources;

8. Underlines that in order to deliver a genuine energy union building solidarity against external energy supply shocks, the EU must develop a fully integrated mechanism for the transmission of surplus energy across borders; considers that in this regard the Commission, Member States and Transmission Operators (TSOs) must focus on reforming the architecture of the EU’s internal energy market, as well as on specific infrastructure projects;

9. Emphasises that the only way to achieve energy security while at the same time keeping energy prices affordable and reaching our climate goals is to create a sustainable energy landscape, based on a high degree of energy efficiency, renewable energy and a smart infrastructure; stresses, moreover, that the right actions need to be taken today in order to bring about this transition for future generations;

10. Acknowledges the importance of including consumer-based initiatives such as cooperatives, community renewable energy and energy efficiency projects, and stresses the need to lift economic, regulatory and administrative barriers in order to allow consumers to participate actively in the energy system;

11. Underlines that the concept of an Energy Union should be truly pan-European, encompassing both the EU and at least the Contracting Parties of the Energy Community, and that Europe’s energy sectors should integrate also beyond the borders of the Union in order to boost the EU’s importance and bargaining power in a globalised energy market;

12. Stresses that the creation of an Energy Union must be accompanied by a comprehensive industrial strategy, in the area of energy efficiency and renewable energies in particular, that is capable of contributing to the EU’s reindustrialisation with the aim of bringing industry’s share of EU GDP up to 20 % by 2020;

13. Underlines that the energy economy will not be achieved by reducing production at European level or by relocating European industry;

INTERNAL DIMENSION

Moderating energy demand

14. Recalls that the moderation of energy demand, in particular for heating, through energy savings and energy efficiency is crucial for a number of reasons, impacting positively
on the EU’s energy security, competitiveness, economic growth and sustainability, as well as on energy affordability, combating energy poverty and creating sustainable jobs; highlights in this regard that according to the International Energy Agency, energy-efficiency investments represent the best return on investment of any energy resource; calls on the Commission and the Member States to treat energy efficiency as an energy source in its own right representing the value of energy saved; underlines that energy efficiency and demand-side response must compete on equal terms with generation capacity, taking due account of urgent and exceptional energy security problems and whenever technically feasible; therefore encourages Member States to give energy efficiency primary consideration in their policies;

15. Stresses that the potential of energy savings concerns all sectors of the economy, including industry, buildings, transport, agriculture and services;

16. Calls on the Commission to identify and remove the remaining barriers to energy efficiency measures, and to develop a genuine market in energy efficiency in order to foster transfer of best practices and ensure availability of products and solutions throughout the EU with aim of building a true single market in energy efficiency products and services;

17. Calls for greater attention to be paid to the emerging market in energy services (including energy performance contracting and energy service agreements); stresses the importance of developing standards for each element in the energy efficiency investment process;

18. Notes that the EU is not yet on track to meet its target of saving 20% of energy (371 Mtoe) by 2020, and that over one third of reduced energy consumption is actually attributable to lower levels of economic activity instead of increased policy efforts on energy efficiency; therefore calls on the Commission to strictly enforce the already adopted energy efficiency legislation as well as to bring forward, in discussions with Parliament and the Council, an updating and improving of the legislation on energy labelling and ecodesign, taking into account energy savings potential and market relevance;

19. Stresses the importance of Member States allocating adequate resources for market surveillance of the energy efficiency of products, so as to ensure a level playing field for the industry while providing consumers with the most useful information and the right tools to make informed choices, to find out how much energy they use and to reduce their energy consumption;

20. Is convinced that the promotion of a circular economy and greater resource efficiency can lead to a significant reduction in greenhouse gas emissions, thereby making a vital contribution to meeting climate and energy challenges;

21. Stresses that energy demand in the building sector is responsible for about 40% of energy consumption in the EU and a third of natural gas use, and that it is therefore necessary to increase both the depth and the rate of building renovation and the use of sustainable energy sources in heating and cooling, through the right incentives in order to reduce energy demand; recommends the continuation of increasing energy efficiency
standards for buildings taking account of and encouraging technical innovation; further recommends continued support for the construction of near zero-energy buildings as an additional crucial step in securing energy independence and a sustainable and secure energy system; emphasises in this context the need to develop innovative sources of private financing, and encourages greater involvement of the European Investment Bank and the EFSI to complement national financing schemes to improve the competitiveness of industry and create more growth and jobs; this should also create benefits for citizens, including a reduction in energy bills and an improvement in standards of living;

22. Acknowledges the role of local authorities and citizens in increasing energy efficiency through better urban planning, the development of energy-related internet and ICT technologies, cogeneration, self-consumption, heat pumps applications, modernisation, expansion and establishment of district heating and cooling systems and renovation of individual heating systems, as well as increasing the use of cleaner public transport, encouraging more active travel models, developing and implementing Smart Cities solutions, and supporting urban eco-mobility;

23. Believes that local authorities also have a role to play in promoting alternative financing instruments, including cooperative models, and in the promotion of collective buying agreements to enable consumers to combine their energy demands, leading to lower energy prices;

24. Considers it important to provide consumers with energy efficiency products, including food products, as well as accurate, relevant, comparable and independently verified information on the energy efficiency of those products, in order to allow consumers to make an informed choice and to transform markets towards the most energy-efficient appliances and food production chains;

25. Calls on the Commission to consider starting an awareness-raising campaign for European citizens on how to reduce energy consumption in households by easy and cost-efficient methods, highlighting the possible savings on their energy bills; calls on the Commission to consider declaring 2016 the European Year of Energy Saving;

26. Notes that improved vehicle performance standards and fuel efficiency are crucial for both reducing EU oil dependency and cutting greenhouse gas emissions, and therefore calls on industry, Member States and the Commission to continue and accelerate their efforts in this field; for the period beyond 2020 asks the Commission to review the CO₂ emission standards for cars and vans; notes, however, that the long-term solution for cutting transport emissions and ensuring energy demand reduction and diversification of supply lies in alternative fuels and in electrification with renewable electricity and in promotion of more sustainable modes of transport;

27. Calls on the Commission to develop a comprehensive strategy for transport electrification within the Energy Union, that goes beyond just investment and incentives for the production and use of electric vehicles and addresses wider incentives for electric mobility, including trains, bicycles and scooters, paying specific attention to transport intermodality and interaction with the power sector via smart grids and storage options;
28. Calls on the Member States and the Energy Community Contracting Parties to be ambitious in implementing existing EU energy efficiency legislation, to speed up measures to achieve the 2020 energy efficiency target, focusing on heating and insulation in buildings and industry, and thus to be prepared with national and regional measures for sharply reducing energy demand both before and in response to supply shocks; welcomes in this regard the upcoming review of the Security of Gas Supply Regulation announced as part of the Energy Union package, and asks the Commission to examine, as part of this review, the feasibility of an EU-wide monitoring system to address such shocks; warns, however, that short-term measures to moderate demand must be carefully planned in order to ensure that any emergency actions are fully integrated and consistent with longer-term measures; besides, calls on the Commission to monitor and report on the development of regulatory barriers that prevent the development of energy efficiency by Member States;

29. Notes, however, that short-term measures to sharply reduce energy demand are not an effective way of dealing with the issue, and that Europe needs a broader plan to ensure continuity of supply;

30. Calls on the Commission to closely monitor the implementation of the Energy Efficiency Directive - especially the National Energy Efficiency Plans (NEEAPs) and National Renovation Strategies - and the Energy Performance of Buildings Directive; calls on the Commission to carry out a limited review of the Energy Efficiency and Energy Performance of Buildings Directives in order to achieve the EU 2030 energy efficiency improvement target, putting a stronger emphasis on helping vulnerable consumers and tackling energy poverty; believes that in the context of this enforcement, measurement and verification of energy efficiency improvements should be carried out on a regular basis;

31. Calls on the Commission to actively support Member States in the deployment of national renovation strategies as requested in Article 4 of the Energy efficiency directive; asks for the 2017 iteration of these strategies to be developed with more input from relevant stakeholders in the building sector, with a view to establishing a long-term (2050) goal at national level of reduction of energy demand in the building stock and accompanying milestones for 2040, 2030 and 2020; notes that the provision on the energy efficiency obligation schemes included in the Energy Efficiency Directive is the main measure delivering energy savings for 2020; therefore calls on the Commission to prolong this requirement beyond 2020, as a key instrument to achieve the 2030 energy efficiency objective, while removing the exemptions that reduce its effectiveness;

32. Stresses that a binding energy efficiency target would be the cost-efficient way to reduce Europe’s energy dependency while at the same time protecting industry and households from rising energy bills; recalls that Parliament adopted, in its resolutions of 5 February 2014\(^1\) and 26 November 2014\(^2\), three binding targets including an energy efficiency target of 40 %, a renewables target of at least 30 % and a GHG target of at least 40 %; deplors in this context the lack of ambition on energy efficiency shown by the European Council at its October 2014 summit, in setting a non-binding target of just

---

\(^1\) Texts adopted, P7_TA(2014)0094.
27 % with no individual targets for Member States;

33. Considers the energy efficiency legislation and the EU Emissions Trading System (ETS) to be mutually supportive instruments, and calls for the prompt implementation of a Market Stability Reserve able to ensure a carbon price signal that can drive improvements in energy efficiency in the ETS sector; calls on the Commission to complement the ETS with an emissions performance standard that provides a clear investment signal for the phasing-out of the most polluting forms of power generation, such as those based on coal;

34. Urges the Commission to utilise the potential of energy efficiency by proposing new legislation including:
- a framework of targeted financial incentives and legal obligations to ensure a minimum, cost-optimal annual deep renovation rate for all eligible existing buildings of at least 3 %;
- investment to moderate energy demand, especially in buildings, to be categorised and evaluated as infrastructure investment on a par with investment on the energy supply side, thus making it eligible for equal financing conditions;
- incentives and obligations for larger enterprises to carry out the most economical recommendations from their mandatory energy audits established under the Energy Efficiency directive;

35. Calls on the Commission to submit proposals for a strong 2030 energy efficiency governance in order to provide robust guidance and fair rules on accounting for national contributions so as to secure achievement of the EU target, improve enforceability of plans and enable streamlined reporting of relevant Energy Union policies;

36. Notes the importance of integrating the planning of energy demand and supply at the level of the EU internal energy market, with priority given to demand reduction and decentralised solutions, in order to achieve cost-optimal security of supply and avoid unnecessary or over-dimensional infrastructure investments and stranded costs;

37. Considers that investment to moderate energy demand, especially in buildings and industry, is a significant contribution to energy security, while stimulating economic growth and job creation at the same time, and that this should be taken into account when developing integrated economic instruments, drawing up building regulations and considering financial allocations; stresses that increased EU financial support should be made available to support the Member States in achieving these energy efficiency goals and objectives;

**Increasing indigenous energy production**

38. Stresses that the EU should develop an action plan and further promote a long-term strategy for increasing security of supply, which must include the development of sustainable indigenous energy sources, notably renewables, within the EU in full compliance with the legislation on health, safety and environment; emphasises that increased indigenous energy production must not increase or prolong European dependence on fossil fuels;
39. **Underlines** the increasingly important role of energy from renewable sources for securing energy supply in the EU in the long term; draws attention to the fact that the production costs of renewables have considerably dropped in recent years;

40. **Emphasises** that it is essential to increase the participation of European industry and technology in the entire energy production chain, which includes not only raw materials but also generation, refinement, storage, transportation and distribution, since these are crucial elements for decreasing the EU’s dependence on energy imports; recalls that the EU is almost entirely dependent on uranium deliveries from third countries;

41. **Considers** that any low-carbon energy source that might contribute to energy security in the Union should be taken into account and developed in full compliance with the EU’s long-term decarbonisation objectives and the 2030 targets with a view to meeting Europe’s ‘two degrees’ climate target as well as complying with the EU environmental and competition legislation; calls on the Commission to assess the implementation of Directive 2009/28/EC and in particular the provision in Article 13(4) for Member States to require the use of minimum levels of energy from renewable sources in new buildings and in buildings subject to major renovation; considers that subsidies to conventional sources and the non-internalisation of externalities distort the market, and therefore calls on the Commission to ensure a level playing field and to introduce CO₂ emissions performance standards alongside energy performance standards for new and existing coal and nuclear power plants, so as to provide a clear investment signal for sustainable investments, as well as the phasing-out of the most polluting and dangerous forms of power generation;

42. **Considers** that the Commission should develop appropriate instruments to homogenise a straightforward calculation of the cost of different energy sources over the lifetime of each technology;

43. **Calls on** the Commission and the Member States to redesign subsidy mechanisms in order to facilitate the integration of the energy market and phase out all environmentally harmful subsidies, in particular for fossil fuels, and to make full use of funds for financing sustainable renewable energy sources which are not yet cost-competitive with conventional energy sources, on the basis, inter alia, of binding renewable targets agreed at EU level;

44. **Stresses** that a high level of environmental protection must be ensured in the context of considering energy security; recalls, in this connection, the environmental, climate and health risks and impacts related to the extraction of unconventional fossil fuels;

45. **Considers** that nuclear energy, which is low-carbon, continues to be a significant contributor to domestic EU electricity production; notes that the choice of whether to use nuclear energy remains the competence of Member States; however, points out that, regarding safety and security, the EU should set the highest - and continuously improving - standards in order to mitigate the risks associated with nuclear energy and to avoid accidents;

46. **Acknowledges** that as long as nuclear power plants and facilities continue to operate there will remain a residual risk, however remote, of a severe accident;
47. Takes the view that existing nuclear facilities and radioactive waste dumps could become targets for terrorist attacks, causing enormous damage; calls on the Member States to ensure the highest level of security and protection for such sites;

48. Calls on those Member States that are phasing out nuclear power to ensure that it is replaced with an energy production that can contribute with the same supply, and also contribute to stabilising the common system for production and distribution;

49. Recalls that energy efficiency, renewable energy and smart infrastructure are the ‘no regrets’ options because they represent the fastest and cheapest means of ensuring our energy security while keeping prices affordable, helping to reach our climate goals and creating millions of jobs in the EU;

50. Recalls that the Commission’s Energy Roadmap 2050 has identified high shares of renewable energy as a prerequisite for a more sustainable and secure energy system;

51. Believes that the development of renewable energy sources is central to the energy security strategy, taking into consideration energy costs; stresses the importance of developing cross-border infrastructure and of enhancing research and innovation in developing smarter energy grids and new energy storage solutions as well as flexible generation technologies for the integration of renewables;

52. Calls on the Commission to submit an analysis of how stable sources of renewable energy such as hydropower, in particular pump storage facilities, sustainable biomass or geothermal power, can complement variable renewable sources to increase the stability of the power sector;

53. Stresses the importance of providing incentives for developing indigenous energy sources such as hydroelectricity as a renewable energy source; reiterates the importance of ensuring the efficacy and consistency of EU directives, such as the RES-E directive and the Water Framework Directive, so as to better integrate small hydro plants into the environment;

54. Calls on the Member States and the Commission to guarantee transparency, consistency, stability and continuity of regulatory renewable energy frameworks and to avoid retroactive changes in economic conditions of investments, in order to strengthen investors’ confidence and to contribute to a cost-efficient deployment of renewable energy across the EU regions; stresses the need for better coordination of support schemes in line with the Commission Guidance on the design of renewable energy support schemes, in order to avoid potential market distortion and safeguard effective support for renewables;

55. Stresses that a long-term strategy for developing indigenous energy sources should be properly financed at EU level;

56. Believes that renewables have a major part to play in providing indigenous energy supply within the EU; recognises, however, that not all Member States have the same geographical capacities to produce considerable amounts of renewable energy in a profitable way;
57. Recognises the benefits of increasing use of renewable energy in the heat market, in particular in buildings; stresses the increased flexibility of thermal infrastructure and storage in facilitating the integration of intermittent renewable sources by storing energy in the form of heat; reiterates that energy security can be increased by development of district heating/cooling networks, which are an ideal means of integrating sustainable heat into cities on a large scale, since they can simultaneously deliver heat derived from a range of sources and are not inherently dependent on any one source;

58. Highlights the need to significantly increase domestic energy production capacity within the EU in the short and medium term; reminds the Commission and Member States in this regard that in many cases the fastest way to increase electricity supply capacity in times of need is to install or upgrade renewable energy sources, such as wind and solar power, owing to their relatively short deployment lead times; urges the Commission to further examine the financial and legal barriers to the development of such energy resources and to make official policy recommendations to Member States on measures impacting such energy deployment;

59. Urges the Commission to undertake a clear national breakdown of the resulting renewable energy development in order to foster investor certainty;

60. Underlines that significant electrification of the European heating and transport sectors remains crucial to significantly reducing fuel imports in these sectors;

61. Considers that Carbon Capture and Storage (CCS) could play an important role in reducing greenhouse gas emissions from indigenous fossil fuels, allowing for a more diverse and secure energy mix; calls on the Commission to improve the conditions for deployment of CCS; considers that CCS will need to be further developed and improved through considerable research and innovation efforts, and calls for funding to be provided for the continued development of CCS technologies;

62. Stresses the added value of integrating ICT in the energy system, and calls on the Commission to introduce common standards for smart grids at the transmission system level, since they ensure a stable supply and free flow of energy across borders and contribute to energy security, and at distribution system level to ensure security of supply for local communities, cities and regions; highlights in this regard the role that developing smarter energy grids and new energy storage facilities can play in increasing the level of RES;

63. Believes that in view of the vast investment needs for ageing and inadequate distribution grids and the majority of renewable energy sources being connected at distribution grid level, specific initiatives to foster DSO investments, including financial instruments, should be considered by the Commission and the Member States;

64. Stresses that ICT can and should play a major role in promoting responsible energy consumption in households, transport, energy generation and manufacturing; considers that smart meters, efficient lighting, cloud computing and distributed software have the potential to transform energy use patterns; stresses the fact that second to energy efficiency at the source (i.e. in primary energy production), tackling losses of
(electrical) energy during transport through the grids should be considered a priority;

65. Notes that a more decentralised and flexible energy system, with power and heat sources being placed closer to the point of consumption, can facilitate small-scale energy generation and therefore empowers consumers to be more involved in the energy market and control their own energy use, diminishes transmission and distribution losses, improves the resilience of energy infrastructure, and simultaneously provides local business opportunities for small and medium-sized enterprises; calls on the Commission and the Member States, therefore, to facilitate further development and expansion of local and regional renewable energy sources and of local and regional distribution networks and district heating networks through policies that tackle existing barriers and help bring about market transformation; calls on the Commission to propose guidelines on energy self-consumption in order to promote its use and protect the rights of consumers;

66. Points out that sustainable agriculture and forestry are important tools for contributing to biomass energy production and achieving energy efficiency;

67. Notes that 95% of woody biomass consumed in Europe for heat and electricity is locally produced;

68. Calls on the Commission to put forward proposals to revise Regulation (EU) 994/2010 on security of gas supply in such a way that Member States are required to establish a strategy to promote the switch, including in district heating, from gas to renewable energy sources such as geothermal, biomass, and solar thermal;

69. Notes that renewable heating technologies (biomass, geothermal and solar thermal energy) are available and ready to replace imported fossil fuels while creating jobs and boosting investments;

70. Calls on the Commission to ensure the full implementation of the Renewable Energy Directive (2009/28) and to come forward with a robust governance system including the European Parliament along with effective regulation to allow the attainment of the 2030 renewable energy target;

71. Stresses that the EU has a unique window of opportunity for energy transition as traditional power plants become obsolete while the modernisation of the whole aging and polluting energy system would require huge investments in the upcoming years, therefore calls on the Commission to mainstream new technologies and foster those investments which use sustainable sources, apply Best Available Technologies and make progress towards a decentralised and intelligent energy system meeting the needs of EU citizens;

**Developing energy technologies**

72. Stresses that effective use of research and technological innovations fosters the leadership of European industry and strengthens the competitive advantage and commercial viability of European business and industry, creates jobs while contributing to the main EU energy and climate policy goals, including reduction of energy demand,
security of supply, competitiveness and sustainable development of energy production, distribution, transportation and consumption, combating energy poverty and the EU targets regarding GHG emissions, renewable energy resources and energy efficiency;

73. Emphasises that European technologies in the energy sector are of the utmost importance for energy security as they contribute to maintaining strategic industrial facilities, know-how and competences; recalls that, as the EU seeks to develop domestic resources and transitions towards a low-carbon economy, concrete actions must be taken to develop European technological leadership in low-carbon technologies in key sectors where the EU has or can develop a global advantage;

74. Points out that energy companies, from SMEs to large groups, are of strategic importance and their development must be supported;

75. Emphasises the need to give priority to education, training programmes and sharing of best practices between Member States in the field of innovative energy technologies that have the potential to secure our future energy supplies;

76. Calls on the Member States and the Commission to seek for better interaction and coordination of national and European research programmes, especially in the fields of energy, transport, ICT and construction, in order to ensure that priority is given to common challenges such as increasing energy efficiency by focusing not only on the heating sector but also on cooling, promoting small-scale renewable energies, reducing greenhouse gas emissions as well as increasing energy security, and developing new renewable energy sources, and to maximise the market uptake of new technologies;

77. Recognises that without intensive investment in Europe’s world-leading science research projects it will not be possible to develop existing and new low-carbon technologies to help address the climate crisis facing the planet;

78. Calls on the Commission to provide further support to nuclear fusion research projects such as ITER, which will provide Europe with a source of zero-carbon, limitless energy supply, with zero harmful waste;

79. Stresses that the commitment to reducing greenhouse gas emissions and transforming Europe into a competitive low-carbon and resource-efficient economy, if implemented correctly, has great potential to increase the EU’s global competitiveness, but that at the same time care should be taken not to undermine it; stresses therefore that the optimum level and modalities of future objectives should be evaluated by carrying out an in-depth impact assessment; considers that a complex, balanced and coherent approach to climate change and competitiveness, sustainability and security is needed, based on a balanced energy portfolio that strongly relies on sustainable energy sources and embraces decarbonisation technologies to meet climate targets, thereby allowing affordable energy for consumers and industrial production;

80. Calls on the Commission to examine how to create a level playing field between European and non-European producers, in particular by studying the feasibility of a carbon border-adjustment mechanism or emission standards;
81. Calls for the redistribution of subsidies in order to focus on the entire innovation chain so as to unlock the full potential of existing and developing technologies with a view to strengthening domestic energy production;

82. Underlines that new energy infrastructure and better interconnections are best financed via commercial investments, facilitated by market-based prices, in the framework of a functioning internal energy market;

83. Recognises that state aid rules exist to provide legal certainty for state intervention where there is particular market failure; calls on the Commission and the Member States to make full use, for the purposes of increased energy security and the transition to a low-carbon and resource-efficient economy, of the possibilities allowed for financing energy projects through state aid, as well as the financial instruments available through the European Regional Development Fund, the Cohesion Fund, the European Fund for Strategic Investment, the Connecting Europe Facility, Horizon 2020, the European Neighbourhood Policy Instrument, and the investment facilities of the European Investment Bank and the European Bank for Reconstruction and Development, as well as public and private intermediaries, and calls on the Commission to conduct a regular cost-effectiveness assessment of the EU’s financial instruments; calls on the Commission and the European Investment Bank to urgently define new instruments and financial products adapted to the specifics of long-term investments in low-carbon energy technologies; welcomes the fact that the Investment Plan counts energy as one of its priorities; considers that the Commission should clarify how it intends to use the EUR 315 billion Investment Plan, mixed with the other existing funds;

84. Considers that, while it is already possible, with existing technologies, to reduce energy dependence, to diversify and consolidate supply options through full exploitation of indigenous energy sources, and to optimise energy network infrastructure and increase energy efficiency in the medium and long term and combat energy poverty, it is necessary to improve existing technologies for CCS, CCU and highly efficient and highly flexible power plants, and to develop new energy technologies taking into account the technology neutrality approach allowing Member States to fully exploit their indigenous energy resources, using funds from the Horizon 2020 Framework Programme for Research and Innovation; therefore believes that the funding foreseen for Horizon 2020 regulation should be ensured and protected from any future cuts;

85. Calls on the Commission and the Member States to increase IT security and the protection of critical energy infrastructures which provide crucial services for consumers, particularly with regard to the development of industrial production and the increasing role of ICT in the energy sector; stresses in this respect the importance of the adoption and timely implementation of the Network and Information Security Directive in order to maintain high levels of network and information security of critical infrastructures;

86. Recalls that Europe’s increasingly complex energy networks will increasingly be exposed to threats and security vulnerabilities related to their IT infrastructure; highlights the increasing sophistication and availability of cyber-weapons which may be used against such infrastructure; recalls in this regard the need for a well-coordinated
and well-resourced response to European cybersecurity as a part of the energy security approach, including appropriate allocations of resources and capacity to the European Cyber Crime Centre (EC3) as well as agencies such as ENISA;

Towards a fully integrated internal energy market

87. Calls for the development of well-integrated and competitive regional electricity and gas markets that ensure the adequacy and flexibility of the energy system, covering all parts of the Union; demands that the Commission act decisively and transparently against all instances of protectionism, anti-competitive behaviour and barriers to market entry and exit; emphasises the importance of ensuring stable national regulatory frameworks, addressing administrative barriers and streamlining national administrative procedures, also in order to guarantee a level playing field for citizen-based projects; specifically, calls on the Commission to ensure an objective market framework enabling competition on equal terms for all technologies, including those with infra-marginal features, such as renewable energy, and to maximise the participation of those technologies that contribute most to the objectives of security of supply, efficiency and environmental sustainability;

88. Underlines the positive impact that market integration has had on wholesale prices, and ultimately on retail prices, in the electricity sector, allowing more affordable energy to be made available to citizens, and recalls that the potential net economic benefit that may be gained from the completion of the internal market in energy is in the range of EUR 16 to 40 billion per year;

89. Recognises that economic, regulatory and administrative barriers currently prevent consumers from actively participating in the energy system; recognises that a growing proportion of consumers are involved in producing their own energy and are interested in choosing their energy supplier, modifying behaviour and joining common initiatives such as community renewable energy and energy efficiency projects; therefore calls on the Commission to enable citizens to become ‘prosumers’, meaning more active actors in the European energy system instead of passive consumers;

90. Calls on the Commission to support the adaptation of market rules to allow the integration of distributed and variable renewable energy sources, especially via easy market access for aggregators;

91. Believes that one of the most important factors of the completion of a transparent, consumer-friendly, well-functioning and fully integrated gas and electricity market is the full implementation of the Third Energy Package, including cross-border market integration focussing on intraday and balancing markets and the development of the energy infrastructures and cross-border interconnections; calls on the Commission to monitor and enforce the implementation of the Third Energy Package;

92. Underlines that the competition policy of the European Union is an integrated part of the internal market and that it must be applied to all energy sources, all distribution channels and all suppliers in the same manner as in other markets;

93. Welcomes the Commission’s report of 10 October 2014 on subsidies and costs of EU
energy, and calls on the Commission to update this report annually in order to better identify which sectors and areas are in need of additional funds and which sectors are vulnerable to market distortions as a result of subsidies;

94. Stresses that regulated energy pricing is detrimental to competition and investment, and that its elimination is a precondition for achieving a well-functioning energy market;

95. Points out that, according to the latest edition of the Consumer Markets Scoreboard, the electricity market is one of the four most poorly functioning markets; stresses the importance of action to improve the provision of information to consumers on the breakdown of energy prices and on energy efficiency measures that would enable them to be actively involved in regulating their energy use, including the option of changing their provider easily;

96. Stresses that larger bidding zones advance the implementation of the internal energy market and increase market efficiency, competition and liquidity; points out that, taking into account the increasing share of renewables, such zones support the necessary characteristics of a well-functioning and liquid electricity market; notes that increased liquidity leads to reduced trading costs, resilient price signals for investment decisions, better hedging for plant operators and more competition, which in turn leads to lower energy prices;

97. Stresses the need for an interconnected and stable transmission system throughout the EU, in which any negative effects, such as unplanned power flows, are avoided;

98. Calls on the Commission to actively support the Member States in achieving the network and system interconnectivity objectives and to ensure that appropriate EU financing is available in this regard;

99. Acknowledges that a more integrated energy system could enhance cross-border solidarity during times of external energy supply shocks and would allow further integration of increasing volumes of renewable energy; believes that immediate action is required from the Commission and the Member States to ensure that energy generation, transmission and distribution, and energy demand management and storage can operate as functional elements of the EU internal market across national borders without undue restrictions; in this context, optimal use of the existing infrastructure should be ensured;

100. Further notes that attracting private investment for the development of PCIs by maximising the use of financial instruments will have an important leverage effect on public funding and will also restart infrastructure investment in the EU;

101. Notes that the level of gas infrastructure development is not spread evenly across the EU; stresses that Member States in the Baltic and in central-eastern, south-eastern and western Europe require investments to ensure full integration of infrastructure and reduce their vulnerability to disruption from single or dominant energy suppliers;

102. Welcomes the European Council’s proposal that electricity system interconnectivity must be ensured by integrating all the Member States into the European Continental
Networks, as well as its proposal for a minimum level of electricity interconnection between Member States of 10% by 2020 and 15% by 2030, and asks for the establishment of gas interconnection targets too; calls on the Commission to propose a concrete action plan to meet these targets;

103. Stresses that ACER plays a pivotal role in completion of the single EU energy market for electricity and natural gas; regrets that despite its increased tasks and responsibilities there has not been an increase in resources, which would be necessary to enable the agency to effectively fulfil its statutory mandate under the REMIT regulation to monitor wholesale energy markets;

104. Emphasises that the expansion and upgrading of interconnections in southern European countries could contribute to the further uptake of renewables and to energy security in the region, and could also catalyse the region’s energy market’s integration with the rest of the EU and enhance security of energy supply;

105. Points out that the need to achieve a higher level of interconnection between energy networks in the Iberian peninsula and the rest of the European Union has been underlined by the European Council;

106. Stresses the need to carry out electricity and gas stress tests, to be continued until the dependence of all Member States’ control of transmission systems on third countries operators is fully eliminated, with synchronous operation within the European Continental Networks being implemented no later than 2025;

107. Emphasises that acceleration of the implementation of strategic infrastructure projects is highly necessary for the achievement of the Union’s energy and climate policy objectives, including putting an end to energy islands, and therefore encourages the Commission to participate more actively in this process; highlights that infrastructure investment encompasses both energy demand and energy supply measures; strongly believes that EU funding is essential for the implementation of these key European energy infrastructure projects for securing supplies and resources;

108. Stresses that, as part of the process of approving major infrastructure projects, consideration must be given at all times as to whether the same energy security results cannot be achieved through smaller-scale projects, energy efficiency measures or smart adjustments to transmission or distribution networks, with a view to preventing overcapacity and stalled projects and to investing scarce resources as efficiently as possible;

109. Emphasises that implementation of those strategic infrastructure projects shall contribute to medium and long-term aspects of energy security and be in full compliance with the EU’s long-term decarbonisation commitments and its environmental and other relevant legislation;

110. Urges the Commission to evaluate the necessity and potential role of a European strategy for back-up capacities to ensure internal resilience to external supply-side shocks;
111. Acknowledges that capacity remuneration mechanisms in the EU electricity market might be necessary in certain circumstances; stresses the need for a coordinated approach at European level to avoid inefficiencies or overcapacity in the European market; stresses the fact that alternative solutions such as better interconnectivity and flexibility of resources needs to be explored beforehand;

112. Calls for the Projects of Common Interest (PCI) list, as first adopted in 2013 and periodically updated, to be executed without delay and in full respect of the deadlines; highlights that the implementation of the PCIs should be the backbone of meeting the EU’s interconnectivity objectives; stresses the urgency to implement key projects and initiatives listed in the European Energy Security Strategy;

113. Stresses the role of the European Fund for Strategic Investment and the CEF in providing support for implementing PCIs, and, therefore, the need to direct more resources to the CEF budget for energy infrastructure projects in the next financial perspective; in this context, stresses the particular importance of EU financing for commercially non-viable security of supply energy infrastructure projects before and after 2020;

114. Stresses the need for regional cooperation to be strengthened throughout the EU and the Energy Community, including in the field of natural gas storage and intelligent electricity storage systems, as energy security issues can be resolved more effectively and energy can be produced, stored, managed and consumed more rationally at the local and regional level; notes that the Baltic Energy Market Interconnection Plan, which aims to integrate the countries of the Baltic Sea region into the EU energy infrastructure networks, is an excellent example of regional cooperation;

115. Calls on the Commission to launch a study analysing new and cost-efficient market designs for the European electricity market with a view to ensuring that consumers receive reasonably priced electricity and preventing carbon leakage;

116. Emphasises that energy must be made affordable to all citizens of the EU; considers that avoiding unnecessary consumption by undertaking efficiency improvements, stronger interconnections, higher market integration and sustainable energy investment, particularly in buildings, would enable many households to access, on equal conditions, a single, sustainable, competitive and secure energy market and escape energy poverty, which in 2012 affected one in four EU citizens; invites the Commission to present a communication on energy poverty in Europe, accompanied by an action plan to fight it and containing a definition and indicators;

117. Emphasises that the EU is home to a strong industrial base in low-carbon energy technologies, such as renewables and nuclear, which can contribute to improved energy security for the EU and its neighbours by reducing external dependence on a single supplier;

EXTERNAL DIMENSION

Diversifying external supply
118. Stresses that dependence on one single supplier of energy resources, with the resulting vulnerability and lack of competition, can impede economic growth and endanger security at national and EU level, and that, therefore, all projects for diversifying energy suppliers must be implemented consistently; stresses that actions for the diversification of suppliers, routes and sources of energy to the EU should be accelerated, taking into account future energy demand and the need to accompany those actions with demand-side reduction measures;

119. Stresses the need to address through diversification the exclusive dependence on one single supplier of fabricated nuclear fuel for 20 of the operating nuclear reactors in five Member States;

120. Stresses that the reduction of dependence on one supplier must not lead to an increase in dependence on another, in particular with regard to liquid gas;

121. Calls for greater coherence between the EU’s trade and energy policies; considers that EU FTAs should lead to increased market access in energy resources and products, both with established long-term partners and with new and prospective partner countries in areas such as, but not limited to, Central Asia, North Africa and the Americas;

122. Stresses that trade plays a key role in energy security, and that strong energy partnerships, reinforced by the inclusion of energy chapters in the EU’s trade agreements, are essential tools; considers it of key importance that these chapters enhance the EU’s energy diversification and reduce dependence on imported energy sources from too few suppliers, establish quality standards for energy products and common standards for sustainable energy production, and encourage both diversification of supply routes and local energy production, especially from renewables, as the energy security strategy should promote the use of domestic energy sources, energy efficiency, interconnection and consumption reduction policies; believes that foreign direct investment in strategic energy infrastructure assets in the Union can have also negative effects and should be monitored by the Commission; calls on the Commission to provide the Member States with the best possible technical support in order to safeguard swift, proper implementation of EU legislation in the area of energy; points out that where Member States have a negative trade balance, this is mostly due to the costs of imports of fossil fuels;

123. Points out that the first steps in cooperation in energy efficiency and energy labelling have already been taken in trade agreements (e.g. the Energy Star label in the US); calls for an increase in these efforts in the future;

124. Calls on the Commission to maintain the objective of including a specific energy chapter in the Transatlantic Trade and Investment Partnership (TTIP), as this would contribute to the EU’s energy security and to the opening of international energy markets; in this respect requests the Commission to continue its efforts in pursuing a policy of free trade with respect to fuels including LNG and crude oil;

125. Considers that EU-US trade in liquefied natural gas (LNG) would fully integrate the EU gas market into the global market and would contribute significantly to the completion of the internal energy market;
126. Deplores the fact that discussions on the modernisation of trade defence instruments are stalling in Council despite the fact that Parliament has expressed strong support for tougher measures against unfair imports from third countries;

127. Stresses that the EU’s energy diversification must prioritise those projects that diversify routes and sources and must meet all requirements of EU law; emphasises that the diversification of routes must be directed towards reliable suppliers, and that supply agreements should in any case foresee clear, effective and easily applicable obligations and penalty clauses to ensure that energy supply is not affected by events such as political ones; emphasises the importance and possibilities of LNG when it comes to the EU’s energy security;

128. Believes that energy should not be used as a means of political pressure in any context of international cooperation;

129. Expresses the opinion that Russia can no longer be considered a reliable partner as it explicitly questions EU law, including at the World Trade Organisation, and uses energy supply for political purposes; notes that diversification of supply improves countries’ bargaining position towards external gas suppliers, and therefore stresses that the EU must learn from past energy crises with Russia;

130. Believes that more attention should be given to the development of the gas supply infrastructure and new LNG terminals as well as to a more efficient use of existing infrastructure;

131. Stresses the benefits of the partnership between Norway and the EU in the energy field; underlines the strategic importance of the Trans-Adriatic Pipeline (TAP) and the completion of the Southern Gas Corridor for Europe’s energy diversification and energy security, and deplores the failure of the Nabucco project; stresses that additional LNG capacities in the eastern Mediterranean and the Black Sea will facilitate the EU’s objective of diversifying the gas supply to Member States and Energy Community Countries in south-east Europe; also highlights the importance of connecting central European gas hubs with south-east Europe via north-south corridors;

132. Stresses that the LNG option for the gas supply to the eastern Member States will allow gas-on-gas competition, and can replace imports of natural gas volumes under oil-indexed contracts with hub and spot price-aligned contracts;

133. Stresses that significant gas reserves in the north African countries and recent discoveries in the eastern Mediterranean provide the Mediterranean region with an opportunity to emerge as a vibrant centre for a pipeline network transporting gas into Europe; calls for a Mediterranean Gas Hub with increased LNG capacities; underlines that the EU should take advantage of the opportunities that emerge from these gas reserves in order to enhance its energy security;

134. Stresses that progress made by the EU must be taken into account in energy partnerships with non-EU countries;

135. Stresses that third-country companies participating in the whole EU and Energy
Community energy production chain, which includes raw materials, generation, transportation and distribution, as well as gas storage, must respect all the requirements of the EU legislation, so as to avoid market distortion and safeguard a competitive and transparent internal energy market in the overall interests of energy security; calls on the Commission to ensure that these companies also act in line with the EU’s climate and energy policy objectives;

136. Points out, notwithstanding the recent trends affecting the price of a barrel of Brent crude oil, that the deindexation of gas prices from oil is still relevant because of the increasing imbalance between these two sources of energy;

137. Calls for European industrial sectors dedicated to the production and distribution of energy to be promoted across all markets, in the first instance in the European market;

138. Calls on the Commission and the Member States and the Energy Community Contracting Parties to increase their efforts towards the implementation of strategic energy demand (reduction) and energy supply infrastructure projects, ensuring that Parliament is informed; believes the existing infrastructure needs to contribute to regional integration;

139. Stresses that energy security-related infrastructure projects must fully respect the democratic will and participation of local communities affected by planning and construction;

Coordination and speaking with one voice

140. Affirms the overarching principle of solidarity between all Member States; stresses that security of energy supply is a matter of collective action and concerns all Member States, despite differing scales of vulnerability to supply shocks; stresses that no Member State shall by its action or inaction jeopardise the security of another Member State or of the EU as a whole; considers that at the very least better communication, consultation and cooperation are required between Member States;

141. Reiterates that energy cooperation must be based on the EU’s core values, including respect for human rights, democracy and the rule of law, and must promote economic and social development in partner countries, as well as the eradication of energy poverty; calls on all EU external policy actors to advocate the development of renewable energy and energy efficiency in all contacts with third countries and to support international efforts to fight climate change; calls on the VP/HR and the Commission to ensure strict oversight of nuclear infrastructure within the EU by non-EU entities, and to closely monitor nuclear safety standards in the EU’s neighbourhood, as well as the management of nuclear waste generated in Europe, as a potential foreign policy challenge;

142. Highlights the need to actively strengthen cooperation with the EU’s partners and to recognise the important role of international cooperation in the field of energy, and especially energy security; in this regard stresses that all intergovernmental agreements must be based on the principle of mutual respect with the third countries involved;
143. Stresses that energy security is strongly linked to geopolitical and security policy issues, and that all energy security measures should be taken in this broader context and should help reduce the EU’s dependency on external energy sources;

144. Calls for a detailed evaluation of the scope, value and modalities of establishing common strategic gas reserves and significantly increasing reverse flow capacity in order to deal with supply-side shocks and ensure that gas can be effectively dispatched to where it is needed in the event of a crisis, with particular emphasis on solidarity between Member States; in formulating such proposals the results of the current energy stress tests should be taken into account;

145. Calls on the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy to ensure the consistency and overall coherence of the EU’s foreign and common security and defence policy with energy policy; in this context, believes there is a need for close coordination via the European External Action Service, the Member States, the Commission and Parliament;

146. Emphasises that the Energy Community should be an effective instrument for raising pan-European energy security; stresses that its enforcement mechanism and institutional set-up should be further enhanced in order to strengthen transparency, democracy and investment stability; believes the Energy Community can be useful for purposes of associating candidate countries and potential candidates with the EU solidarity mechanisms; stresses that this should result in a better consolidated European energy neighbourhood policy;

147. Calls on the Member States to strengthen the capacities and competences of the Energy Community Secretariat and to thoroughly analyse the proposals of the High Level Reflection Group for the reform of the Energy Community and act on them in order to ensure swift and efficient implementation of the EU energy acquis in the Energy Community Contracting Parties; stresses the need to boost the energy security not only of the EU, but of Europe as a whole; highlights that the western Balkans countries have an enormous potential in renewable energy sources, and calls for their inclusion in the Energy Community and in the common energy market;

148. Underlines that the challenge of energy security is to alleviate uncertainties that give rise to tensions between countries and to reduce market inefficiencies that counteract the benefits of trade; therefore underlines the need to promote democratic global governance structures for raw materials and international rules for trade in energy, in order to decrease international tensions and improve legal stability in this area, and support the realisation of a fair global energy market bringing trade benefits to all its participants, with an emphasis on decent revenue options for resource-rich countries inside and outside the EU that are supportive of their respective economic development and poverty eradication strategies; stresses the importance of closer energy cooperation with the European Neighbourhood countries;

149. Invites the Commission to make better use of the Neighbourhood Investment Facility and to cofinance investments into energy efficiency measures and RES projects;

150. Recognises the value of the Eastern Europe Energy Efficiency and Environment
Partnership – E5B, as a multi-donor fund managed by the European Bank for Reconstruction and Development to facilitate investments in energy efficiency and the reduction of carbon dioxide emissions in eastern European partner countries;

151. Invites the Commission to analyse the potential structure and appropriateness of a collective purchasing mechanism and its impact on the functioning of the internal gas market, the undertakings affected and its contribution to ensuring security of gas supply; notes that since there are several models of collective purchasing mechanisms, further work needs to be done to determine the best market-based model applicable for EU regions and the suppliers concerned and the exceptional conditions when a collective purchasing mechanism could be launched;

152. Takes the view that the main condition for the creation of the future European Energy Union is the completion of an integrated EU internal energy market, which requires full implementation of the Third Energy Package embracing both energy demand management and energy supply system optimisation, development of smart energy infrastructure and energy interconnections, and the existence of a strong external dimension for an EU energy policy that is based on close coordination of positions and speaking with one voice with third countries;

153. Recognises that the Lisbon Treaty includes policies to mitigate climate change and promote energy efficiency and the development of renewable technologies as a basic element of the European Union; believes that the development of the energy objectives for 2020 and 2030 reflects the need to respond to Article 194 of the Treaty on the Functioning of the European Union and, therefore, must be respected in any bilateral agreement concluded by the Commission;

154. Points out that the principle of reciprocity must play a significant role in energy agreements with third countries, whereby quality standards and compliance with regulatory frameworks must be guaranteed;

155. Highlights the need to enhance the EU’s ability to speak with one voice in order to deliver a more coherent energy diplomacy in partner countries and in multilateral forums; notes in this regard that the mandatory participation of the Commission as an observer in negotiations for intergovernmental agreements, as well as both ex ante and ex post evaluation of the negotiated agreements, should be required in order to minimise the possibility of non-conformity with EU law;

156. Calls on the Member States to increase their cooperation on the information exchange mechanism with regard to intergovernmental agreements (IGAs) with third countries in the field of energy, in order to increase transparency and leverage their negotiating power vis-à-vis third countries; calls on the Commission to swiftly develop a proposal for obligatory ex ante evaluations of IGAs with regard to their impact on the EU’s internal energy market and their compatibility with EU law; calls on the Member States to request the participation of the Commission in the negotiation of energy agreements with non-EU countries; calls on the Commission to develop a template for energy agreements with non-EU countries including clauses relevant to Union interests; calls, in the interest of promoting democracy and transparency, for Parliament to be kept informed by the Commission on a regular basis on energy agreements between the EU
and non-EU countries; believes that consideration should be given to the possibility of Member States wishing to do so establishing a collective purchasing mechanism for energy sources in the future;

157. Fully agrees with the European Council that a reliable, democratic and transparent governance system avoiding additional red tape and unnecessary bureaucracy should be developed and proposed in 2015 to help ensure that the EU meets its energy policy goals, with the necessary flexibility for Member States and on a basis of full respect for their freedom to determine their energy mix; stresses that Parliament must play a strong and proactive role with regard to the development, implementation and review of the Energy Union governance systems;

158. Calls on the Commission to support, as a matter of urgency, the completion of the European Energy Union in terms of both energy demand and energy supply, with regard to reduced energy wastage, diversified and secure external energy relationships, and a well-functioning and resource-efficient Internal Energy Market; calls on the Member States and the Energy Community Contracting Parties to demonstrate a strong political will to achieve the goals of the Energy Union;

159. Stresses that a regular review of the implementation of the European Energy Security Strategy must be ensured, and that the annual progress assessment of the Strategy must be carried out having regard to the relevant challenges to energy security; calls on the Commission to submit annual reports on the state of play of the European Energy Security Strategy;

160. Calls on the Commission to submit proposals on critical infrastructure, including physical protection of energy;

161. Instructs its President to forward this resolution to the Council, the Commission, the Energy Community Secretariat and the Contracting Parties of the Energy Community.
EXPLANATORY STATEMENT

Introduction

The outbreak of the crisis in Ukraine has reminded the European Union of the importance of energy security and its crucial role in confirming Europe’s strong political and economic position. The vulnerability of the energy market in the context of geopolitics has made energy policy as one of the strategic priorities in foreign affairs. Therefore, the European Union needs to develop an energy policy based on close coordination of positions and speaking with one voice.

The European Commission has outlined the main challenges in the energy sector in its Communication on a European Energy Security Strategy and now there is a need of political impulse from the European Parliament to outline the framework for an improved energy security. The current report will also address the Commission’s Communication on Energy efficiency and its contribution to energy security and the 2030 framework for climate and energy policy, Communication on Progress towards completing the internal energy market and the Communication on The short term resilience of the European gas system. All these documents reflect the current situation in the EU energy market.

Whereas there has been a significant progress towards strengthening the EU’s energy security over the last years, the EU still faces a number of challenges such as instability in regions delivering energy, fragmented internal market and a changing climate. The EU imports 53 % of its total energy consumption and many Members States are still dependent on a single external source of supply which impedes Europe’s economic growth and endangers national and EU security.

The Rapporteur perceives the strategy not as a short term action plan but as a long term strategy which identifies strategic objectives in relation to Europe’s energy security. Therefore the report includes actions to moderate energy demand, actions to increase indigenous energy production and to develop energy technologies, further actions to build a fully integrated and well-functioning internal energy market as well as solidarity and coordination mechanisms.

A European Energy Union for European Energy Security

As the new Commission has taken office, a new concept of Energy Union is emerging and needs to be clarified and developed. The new portfolio of the Vice-President on Energy Union was established in order to underline the need of common energy policy. The European Parliament should be seen as an intermediary in defining the steps towards the creation of Energy Union. The Rapporteur believes that the European Energy Security Strategy should be an integral part of the broader, emerging concept of Energy Union and would encourage the new Commission to continue working in this direction.

In addition to security of supply the Energy Union should be developed following a comprehensive approach by focusing on key pillars, such as the completion of a fully integrated internal energy market, moderation of energy demand, decarbonisation of the
energy mix and research and innovation. Energy policy based on close coordination of positions and speaking with one voice with third countries is the basis for the existence of Energy Union, therefore collective purchasing of gas should be considered.

**Moderating energy demand**
The moderation of energy demand through energy efficiency is crucial for the EU’s energy security, competitiveness and sustainability. Energy efficiency positively affects such areas as energy supply, energy poverty, energy prices, industrial productivity, employment and resource management. However, despite this enormous potential, the European Union is not yet on track to meet its commitment of saving 20 % of energy by 2020. Therefore, EU should speed up efforts to significantly enhance energy efficiency beyond 2020 as existing instruments are not sufficient.

Local authorities of European cities could significantly contribute to energy efficiency through cogeneration, modernisation of district heating systems, increasing the use of cleaner public transport, encouraging more active travel models and renovation of buildings.

**Increasing indigenous energy production and developing energy technologies**

In order to reduce energy dependence the EU has to increase its indigenous energy production and to develop energy technologies. It is stressed in the report that a long-term strategy is necessary to develop indigenous energy sources within the European Union. The EU should consider the development of any energy source that might contribute to EU’s energy security. New energy technologies could help to decrease energy dependence, to diversify and consolidate supply options, to optimise energy network infrastructure and to increase efficiency of energy consumption.

**A well-functioning Internal Energy Market**

A well-functioning internal energy market ensures the participation of different energy suppliers which may offer reliable services at lower prices. Europe is well underway towards the completion of the internal energy market. However, further efforts are needed to develop interconnections and remove bottlenecks to ensure competitive and well-integrated regional energy markets. The Rapporteur welcomes the European Council’s opinion that priority should be given to solve the problem of inadequate interconnections of Member States with the European gas and electricity networks and to ensure synchronous operation of Member States within the European Continental Networks. This would help to reach the target of 15 % minimum level of interconnection between Member States. Moreover, there is an urgent need for effective and consistent implementation and application of the provisions set out in the Third Energy Package.

**External dimension of EU energy policy**

With regard to the current geopolitical situation Russia can no longer be treated as a reliable partner as it explicitly questions EU law and uses energy for political purposes. Therefore it is highly necessary to diversify energy routes and sources and especially to make sure that routes are directed towards reliable suppliers.

Since regional integration is a key element for energy security the EU has to increase its
efforts towards the implementation of strategic energy infrastructure projects. By emphasising the principle of solidarity, the Rapporteur underlines that energy security is a matter of collective action. Member States should ensure transparency in negotiations and adopt a common stance towards foreign suppliers. As reported in the Commission’s Communication on the short term resilience of the European gas system, Member States supply strategies are currently unilateral in nature and insufficiently coordinated. In this regard the Parliament invites the Commission to analyse potential mechanisms for collective gas purchasing.

The importance of the Energy Community should also be highlighted in this regard. By implementing the EU energy acquis, the Energy Community could be an effective instrument of raising pan-European energy security. It is important to boost the energy security not only of the EU, but of Europe as a whole as this could lead to more consolidated European energy neighbourhood policy.
24.3.2015

OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS

for the Committee on Industry, Research and Energy

on the European Energy Security Strategy
(2014/2153(INI))

Rapporteur: Arne Lietz

SUGGESTIONS

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

1. Stresses that a coherent energy policy must be an integral part of the EU’s overall external policy, and that further efforts and better synergies are needed to bring energy objectives into line with a credible foreign policy; recalls that energy cooperation is a cornerstone of European integration; stresses that energy security concerns the whole EU despite various degrees of vulnerability of particular Member States; calls on the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR) and the European External Action Service to closely coordinate the relevant foreign policy tools and instruments of the Member States and the EU institutions;

2. Considers that, in view of the EU’s high dependence on energy imports and the current dominance of a single gas supplier, there is an urgent need to diversify energy supply sources and energy routes and to strengthen the EU’s capacity to respond effectively to potential gas supply crises and withstand pressure from third countries when energy is used as a political tool; underlines the crucial importance of radically enhancing the EU’s energy security by decreasing its dependency on Russia and by increasing its resilience to external pressure; believes that, in this context, it is necessary to ensure increased administrative and financial support for existing and alternative energy supply infrastructure projects, including the establishment of new supply routes from the Caspian region, the Middle East, the Mediterranean and Central Asian countries;

3. Welcomes the efforts of the Commission to build an Energy Union, and calls for its rapid implementation; recalls that a fully-fledged Energy Union can only be achieved when energy and external policy go hand in hand; stresses, in particular, the need for the EU and
its Member States to develop a common energy policy based on solidarity in order to speak with one voice and act jointly at the international level, and to develop a coherent energy diplomacy; invites the Commission to assess options for voluntary demand aggregation mechanisms that could increase the EU’s bargaining power; calls on the Commission to review the decision on establishing an information exchange mechanism on intergovernmental agreements between Member States and third countries in the field of energy, in order to strengthen its provisions and ensure compatibility with internal energy market legislation and an enhanced role for the Commission;

4. Calls for a strong emphasis on energy security in the Enlargement Policy, as well as in the ongoing review of the European Neighbourhood Policy (ENP); stresses, furthermore, that the Energy Community should be used as an instrument to reform and integrate our neighbourhood more closely into the EU energy market; considers that the establishment of a common legal area based on acquis-related norms and principles of the internal energy market would enhance the security of energy supply and transit; considers that pipeline projects in our neighbourhood need to undergo a critical review and follow a strategic approach taking the current political situation fully into account;

5. Reiterates that energy cooperation must be based on the EU’s core values, including respect for human rights, democracy and the rule of law, and must promote economic and social development in partner countries, as well as the eradication of energy poverty; calls on all EU external policy actors to advocate the development of renewable energy and energy efficiency in all contacts with third countries and to support international efforts to fight climate change; calls on the VP/HR and the Commission to ensure strict oversight of nuclear infrastructure within the EU by non-EU entities, and to closely monitor nuclear safety standards in the EU’s neighbourhood, as well as the management of nuclear waste generated in Europe, as a potential foreign policy challenge;

6. Is concerned at the recurrent announcements by Russia that gas supply to Ukraine will be stopped, and calls on all sides to the agreement that was brokered by the former Energy Commissioner, Günther Oettinger, to find an acceptable solution;

7. Stresses that in order for the EU to increase its security of supply its import dependence must be reduced by a transition to a sustainable, decarbonised economy, based on the implementation of binding and ambitious targets to boost both energy efficiency and energy production from renewable sources, and by the establishment of a smart, modern and connected infrastructure; in this context, calls for the full exploitation of existing interconnector capacities and the realisation of new infrastructures between Member States, and emphasises the importance of the Connecting Europe Facility (CEF) in reducing EU energy market fragmentation; in this regard, calls for the swift synchronisation of the Baltic states’ electricity systems with the European Continental Networks.
## RESULT OF FINAL VOTE IN COMMITTEE

<table>
<thead>
<tr>
<th>Date adopted</th>
<th>23.3.2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Result of final vote</strong></td>
<td></td>
</tr>
<tr>
<td>+:</td>
<td>39</td>
</tr>
<tr>
<td>–:</td>
<td>9</td>
</tr>
<tr>
<td>0:</td>
<td>3</td>
</tr>
<tr>
<td><strong>Members present for the final vote</strong></td>
<td>Lars Adaktusson, Michèle Alliot-Marie, Petras Auštrevičius, Klaus Buchner, James Carver, Fabio Massimo Castaldo, Lorenzo Cesa, Aymeric Chauprade, Arnaud Danjean, Mark Demesmaeker, Anna Elżbieta Fotyga, Eugen Freund, Tunne Kelam, Afzal Khan, Andrey Kovatchev, Eduard Kukan, Arne Lietz, Barbara Lochbihler, Ulrike Lunacek, Andrejs Mamikins, Ramona Nicole Mănescu, David McAllister, Tamás Meszerics, Francisco José Millán Mon, Ioan Mircea Pașcu, Alojz Peterle, Tonino Picula, Kati Piri, Andrej Plenković, Cristian Dan Preda, Jozo Radoš, Sofia Sakorafa, Charles Tannock, Ivo Vajgl, Johannes Cornelis van Baalen, Hilde Vautmans</td>
</tr>
<tr>
<td><strong>Substitutes present for the final vote</strong></td>
<td>Zigmantas Balčytis, Reinhard Bütikofer, Liisa Jaakonsaari, Marek Jurek, Gabrielius Landsbergis, Antonio López-Istúriz White, Marietje Schaake, Helmut Scholz, Traian Ungureanu</td>
</tr>
<tr>
<td><strong>Substitutes under Rule 200(2) present for the final vote</strong></td>
<td>José Blanco López, Jude Kirton-Darling, Susanne Melior, Maria Noichl, Gabriele Preuß, Ricardo Serrão Santos</td>
</tr>
</tbody>
</table>
16.4.2015

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on Industry, Research and Energy

on the European Energy Security Strategy
(2014/2153(INI))

Rapporteur: Helmut Scholz

SUGGESTIONS

The Committee on International Trade calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Recalls that in order to meet the challenges of a European Energy Security Strategy, as well as to implement its energy and climate change objectives in the context of global constraints in those policy fields, the European Union and its Member States must, on the basis of existing legal frameworks, also take common action on the international stage, by raising energy security and sustainability issues in international trade forums, including ways to address environmental dumping by third parties ignoring their international commitments; stresses that moderating energy demand and promoting renewable and local energy sources are among the most effective tools for reducing external energy dependency and achieving climate objectives; underlines that promoting energy education can serve the goal of reducing pollution and improving consumption patterns;

2. Reiterates that energy is a basic human need and is essential for human economic activity and particularly important for the competitiveness of industry and other economic sectors; insists, therefore, that the EU’s energy security strategy should ensure affordable, sustainable, stable, secure and predictable access to energy for both citizens and enterprises and should strengthen public control as well as regulation and fairness in the field of competition, in order to focus on the issue of energy poverty and promote measures to tackle this problem, which concerns a large number of EU citizens (according to Eurostat’s reports on Income and Living Conditions (EU SILC)) and in the developing world (as reported by the International Energy Agency (IEA)); emphasises that the decision-making process concerning energy infrastructure projects should involve all local communities directly affected; points out that the Union’s energy security strategy should be an essential component of an inclusive Union strategy for economic growth;
3. Calls for greater coherence between the EU’s trade and energy policies; considers that EU FTAs should lead to increased market access in energy resources and products both with established long-term partners and with new and prospective partner countries in areas such as, but not limited to, Central Asia, North Africa and the Americas;

4. Stresses that trade plays a key role in energy security, and that strong energy partnerships, reinforced by the inclusion of energy chapters in the EU’s trade agreements, are essential tools; considers it of key importance that these chapters enhance the EU’s energy diversification and reduce dependence on imported energy sources from too few suppliers, establish quality standards for energy products and common standards for sustainable energy production, and encourage both diversification of supply routes and local energy production, especially from renewables, as the energy security strategy should promote the use of domestic energy sources, energy efficiency, interconnection and consumption reduction policies; believes that foreign direct investment in strategic energy infrastructure assets in the Union can have also negative effects and should be monitored by the Commission; calls on the Commission to provide the Member States with the best possible technical support in order to safeguard swift, proper implementation of EU legislation in the area of energy; points out that where EU Member States have a negative trade balance, this is mostly due to the costs of imports of fossil fuels;

5. Expects, in view of the EU’s legitimate interest in enhancing its energy security, that key issues such as trade in energy resources, including oil and natural gas, will be included in the negotiations for the Transatlantic Trade and Investment Partnership;

6. Stresses the need for a strong coordination of European trade policy with energy policy, foreign policy and CSDP in order to ensure the effectiveness of the European Energy strategy and a better coherence in our external action;

7. Points out that the first steps in cooperation in energy efficiency and energy labelling have already been taken in trade agreements (e.g. the Energy Star label in the US); calls for an increase in these efforts in the future;

8. Emphasises that the high and undiversified dependency on gas imports can be reduced by support for decentralised, community-based cogeneration of heat and power which strengthens value chains in the EU’s different regions;

9. Recalls that the conclusion of trade agreements with third countries must remain consistent with internal EU policy;

10. Stresses that the reduction of dependence on one supplier must not lead to an increase in dependence on another, in particular with regard to liquid gas; recalls that fracking is a technology rejected by the majority of the European population;

11. Considers that EU-US trade in liquefied natural gas (LNG) would fully integrate the EU gas market into the global market and would contribute significantly to the completion of the Internal Energy Market;

12. Stresses that energy security-related infrastructure projects must fully respect the democratic will and participation of local communities affected by planning and
construction;

13. Calls on the Member States to increase their cooperation on the information exchange mechanism with regard to intergovernmental agreements (IGAs) with third countries in the field of energy, in order to increase transparency and leverage their negotiating power vis-à-vis third countries; calls on the Commission to swiftly develop a proposal for obligatory ex ante evaluations of IGAs with regard to their impact on the EU’s internal energy market and their compatibility with EU law; calls on Member States to request the participation of the Commission in the negotiation of energy agreements with non-EU countries; calls on the Commission to develop a template for energy agreements with non-EU countries including clauses relevant to Union interests; calls, in the interest of promoting democracy and transparency, for Parliament to be kept informed by the Commission on a regular basis on energy agreements between the EU and non-EU countries; believes that consideration should be given to the possibility of Member States wishing to do so establishing a collective purchasing mechanism for energy sources in the future;

14. Calls on the Commission to set out the options available for the joint negotiation of energy contracts with external suppliers on behalf of Member States;

15. Emphasises that energy agreements must always lay stress on the reciprocity principle and safeguard quality standards and compliance with legal framework conditions; bearing in mind the EU’s common internal energy market, calls for energy agreements to be included under the ordinary legislative procedure in order to guarantee democracy, transparency and compatibility with EU law;

16. Underlines that it is important to put an end to any isolation of Member States and regions from European gas and electricity networks;

17. Notes that on the request of a Member State the Commission could participate as an observer in negotiations for intergovernmental agreements;

18. Underlines that the challenge of energy security is to alleviate uncertainties that give rise to tensions between countries and to reduce market inefficiencies that counteract the benefits of trade; therefore underlines the need to promote democratic global governance structures for raw materials and international rules for trade in energy, in order to decrease international tensions and improve legal stability in this area and support the realisation of a fair global energy market bringing trade benefits to all its participants, with an emphasis on decent revenue options for resource-rich countries inside and outside the EU that are supportive of their respective economic development and poverty eradication strategies; stresses the importance of closer energy cooperation with the European Neighbourhood countries;

19. Is of the opinion that the EU should assist the most vulnerable countries in diversifying their sources and supply routes, including through cross-border interconnections and reverse flows, with an emphasis on renewable energies and local energy sources and related storage facilities and energy efficiency measures in the framework of regional strategies, thus contributing to a reduction of dependence on certain volatile international energy markets; considers it equally important to develop new technologies for producing
energy from different sources in order to increase energy efficiency worldwide, thus helping to eradicate energy poverty, contribute to global sustainable development and support the global effort to tackle climate change;

20. Underlines that the EU should take advantage of the opportunities that emerge from the energy sources of the eastern Mediterranean, in particular with a view to creating a Mediterranean gas hub through a corridor from the south-eastern Mediterranean to Europe in order to enhance the EU’s energy security; believes that the EU should promote initiatives for cooperation in the energy sector between the countries of the eastern Mediterranean, thus contributing to peace and prosperity for their peoples;

21. Recognises the European Fund for Strategic Investment and the Connecting Europe Facility as key mechanisms for infrastructure development and for attracting private investment to the EU; further notes that maximising the use of financial instruments will have an important leverage effect on public funding and will attract global investment capital to the EU;

22. Stresses that strategic infrastructures that promote the diversification of supplies, sources and routes, such as storage, import and transport facilities, as well as liquefaction and regasification of natural gas plants, can facilitate enhanced supply when emergency situations occur; notes that these infrastructures may be supported by means of specific regulatory arrangements and/or public funding as provided by the ‘trans-European energy infrastructure’ and ‘Connecting Europe Facility’ regulations (respectively Regulation (EU) No 347/2013 and Regulation (EU) No 1316/2013) and/or financial support via EU financial instruments based on the strategic goals of the Union;

23. Considers that export opportunities for EU private and public companies in clean, secure and efficient energy technologies and for energy storage technologies are particularly important, especially in the light of growing global energy demand; recommends an increase in investment in research, development, and application of new energy and energy storage technologies; calls for significant tariff reductions on those technologies within a WTO environmental goods agreement and within EU FTAs;

24. Calls on the Commission to ensure stricter monitoring of anti-competitive behaviour and anti-dumping measures in order to protect European energy industries against unfair imports from third countries;

25. Deplores the fact that discussions on the modernisation of trade defence instruments are stalling in the Council despite the fact that Parliament has expressed strong support for tougher measures against unfair imports from third countries;

26. Calls on the Commission to ensure that its objectives and activities in the field of energy security are consistent with the common EU policy objectives, in particular with regard to international peace and development, and that integrating countries into the world economy includes also their access to energy;

27. Considers that energy security within the EU can be effectively achieved not only by funding new infrastructures and facilities, but also by supporting the optimisation of current technologies, undertaking research and development for new solutions and
encouraging the use of renewable energies and renewable energy technologies;

28. Reaffirms the need for substantial investments in energy and energy infrastructure, above all in renewable energy and green technology.
### RESULT OF FINAL VOTE IN COMMITTEE

<table>
<thead>
<tr>
<th>Date adopted</th>
<th>14.4.2015</th>
</tr>
</thead>
</table>
| **Result of final vote** | +: 32  
| | −: 6  
| | 0: 0  |
| **Members present for the final vote** | William (The Earl of) Dartmouth, Maria Arena, Tiziana Beghin, David Borrelli, David Campbell Bannerman, Daniel Caspary, Salvatore Ciu, Marielle de Sarnez, Christofer Fjellner, Eleonora Forenza, Ska Keller, Jude Kirton-Darling, Alexander Graf Lambsdorff, Gabrielius Landsbergis, Jörg Leichtfried, Marine Le Pen, David Martin, Emmanuel Maurel, Emma McClarkin, Anne-Marie Mineur, Alessia Maria Mosca, Franz Obermayr, Artis Pabriks, Franck Proust, Godelieve Quisthoudt-Rowohl, Inmaculada Rodríguez-Piñero Fernández, Tokia Saïfi, Helmut Scholz, Joachim Schuster, Adam Szejnfeld, Iuliu Winkler, Jan Zahradil |
| **Substitutes present for the final vote** | Klaus Buchner, Nicola Danti, Danuta Maria Hübner, Sander Loones, Frédérique Ries, Jarosław Wałęsa |
30.3.2015

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

for the Committee on Industry, Research and Energy

on European Energy Security Strategy
(2014/2153(INI))

Rapporteur: Merja Kyllönen

SUGGESTIONS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Considers that the current global energy and climate challenges require effective, equitable and common actions by the European Union on the international stage;

2. Considers that the challenges posed by energy security and climate change need to be met by a unified strategy addressing both issues simultaneously; stresses that combining measures to promote energy efficiency and renewable energy and to develop innovative energy technologies is of crucial importance in order to achieve an environmentally sustainable energy mix and to secure stable energy supply throughout Europe at affordable prices for both citizens and enterprises, as essential dimensions of energy security;

3. Welcomes, therefore, the commitment to greater cooperation in energy policy; emphasises the importance of including investments in energy efficiency across the EU in any energy security plans and of promoting investments in indigenous renewable energy sources;

4. Stresses that climate change, uncompetitive energy prices and an extremely high level of dependence on unreliable third-country suppliers are threatening the sustainability of Europe’s energy system;

5. Takes the view that the EU’s increasing import dependence on fossil fuels from largely unreliable third-country suppliers is making the EU vulnerable and deeply undermining the development of a credible, effective and consistent common European energy policy;
6. Points out that improved energy security can be achieved in a cost-efficient manner if addressed cooperatively among Member States; stresses, in this connection, the important role that a properly interconnected and functional market for electricity and gas can play in diversifying suppliers, sources and routes in Europe;

7. Calls on the Commission to adopt a more proactive approach to ensuring Member States’ compliance with European legislation aimed at establishing transparent and well-functioning energy markets;

8. Highlights the importance of coordinating national energy policies and strengthening the EU’s voice in the field of external energy policy;

9. Points out that increasing energy security is mutually linked to the need to move to an efficient low-carbon economy; strongly calls on the Commission, therefore, to bring forward ambitious 2030 targets and to put in place a comprehensive EU energy and climate strategy based on the objective of decarbonising the EU economy, starting from the Commission’s communication and taking into account Parliament’s resolution of 15 March 2012 on a Roadmap for moving to a competitive low-carbon economy in 20501;

10. Stresses the significant co-benefits to the climate, air quality, public health and the environment from improving energy security through increased energy efficiency and a switch to renewable energies such as wind, solar and geothermal;

11. Considers the energy efficiency legislation and the EU Emissions Trading System (ETS) to be mutually supportive instruments, and calls for the prompt implementation of a Market Stability Reserve able to ensure a carbon price signal that can drive improvements in energy efficiency in the ETS sector; calls on the Commission to complement the ETS with an emissions performance standard that provides a clear investment signal for the phasing-out of the most polluting forms of power generation, such as those based on coal;

12. Strongly calls for the elimination of the EU’s ‘energy islands’, which was initially scheduled to be completed in 2015; maintains, accordingly, that developing energy interconnections in order to end the isolation of any Member State is a must; emphasises the need to accelerate the implementation of strategic infrastructure projects, especially those designed to put an end to a Member State’s energy isolation, and to promote the use of renewables by facilitating their distribution; urges the Commission, in this connection, to give high priority to EU funding instruments for interconnectivity projects aimed at completing the EU internal energy market;

13. Stresses that action towards the necessary substantial changes to the EU’s energy system will only follow if measures are put forward in conjunction with the Member States, taking into account their capabilities; calls on the Commission to propose concrete steps and action plans, including legislation, for both the short and long term; calls for strong investment by the EU and its Member States in energy research and innovation leading to environmentally sustainable, innovative energy technologies; underlines the need for education, training and the sharing of best practices, and for local pilot projects in Member States which contribute to energy security by improving the resilience of local

---

1 Texts adopted, P7_TA(2012)0086.
14. Recalls its previous positions on setting ambitious, nationally binding goals for renewables and energy efficiency, which ought to reduce dependence on imported energy;

15. Maintains that energy saving and energy efficiency are fast and cost-effective routes to addressing issues such as energy security, external dependence, high prices, unemployment and environmental concerns; underlines the potential for both energy saving and energy efficiency, in particular in specific sectors such as buildings and transport; points out the role of district heating and cooling in managing energy demand; highlights the fact that, according to the International Energy Agency, energy efficiency is the world’s ‘first fuel’ by virtue of it having the lowest cost and of its availability and sustainability; emphasises the need for EU and national policies to promote investments in energy efficiency and demand-side solutions, as these will bring significant long-term gains for European security of supply; calls on the Commission, therefore, to set clear targets for the renovation of building stock across the EU, which will also lead to new jobs and rejuvenate the EU economy;

16. Is convinced that the promotion of a circular economy and greater resource efficiency can lead to a significant reduction in greenhouse gas emissions, thereby making a vital contribution to meeting climate and energy challenges;

17. Calls on the Commission, as a priority, to adopt measures to increase energy efficiency, thus also tackling the problem of low competitiveness resulting from high energy prices;

18. Points out the importance of fully implementing the EU’s legislative framework for energy efficiency in order to achieve an energy saving of 20 % by 2020, of further developing the Energy Efficiency Directive, the Ecodesign Directive, the Ecolabelling Directive and the Energy Performance of Buildings Directive, and of allocating increased EU funding to these areas; calls on the Commission to monitor closely the implementation of these directives in the Member States; emphasises that, as part of the revision of these directives, energy poverty should be elevated to priority status and measures should focus on social housing and on the most inefficient properties occupied by low-income households;

19. Recognises that decreased emissions governed by an Emissions Performance Standard correlate directly with energy efficiency and long-term savings in the energy sector;

20. Recalls that the article on energy efficiency obligation schemes in the Energy Efficiency Directive is the key measure for meeting the 2020 energy efficiency target; urges the Commission to extend this provision beyond 2020 while removing the exemptions that diminish its effectiveness;

21. Calls on the Commission to raise the ambition level of energy efficiency performance standards for products, including new ones in the expected Ecodesign Working Plan 2015-2017, and to enhance the transparency and effectiveness of information schemes concerning the energy consumption of appliances in order to help deliver the full economic potential of energy savings for households and businesses and to contribute to Europe’s energy security and long-term decarbonisation goals;
22. Takes the view that clear, binding 2030 targets for climate and energy, together with an ambitious action plan and an effective governance structure implemented through European legislation, will also serve energy security; stresses that a long-term perspective is vital for creating a stable framework for the necessary investments in European energy infrastructure, and that it is therefore important that a legislative framework for climate and energy for the 2020-2030 period be put in place without delay; calls on the Commission, therefore, to bring forward all the necessary proposals as soon as possible, on the basis of the normal legislative procedure;

23. Reiterates that research and innovation are key to the development of environmentally sustainable, innovative energy technologies and are vital in order to make the already available indigenous renewable energy technologies more affordable and competitive; urges, therefore, more EU support for R&D&I;

24. Emphasises that regulatory certainty based on a clear political direction is essential in order to provide EU citizens and businesses with secure, sustainable and affordable energy; recalls, in this connection, that Parliament has called for a binding EU 2030 target of reducing domestic greenhouse gas emissions by at least 40 % compared with 1990 levels, a binding EU 2030 energy efficiency target of 40 %, and a binding EU 2030 target of producing at least 30 % of total final energy consumption from renewable energy sources;

25. Calls on the Commission to step up the development and deployment of low-carbon technologies and to strengthen the role of renewable energy sources in order to further ensure diversification of energy supplies and save on fuel imports;

26. Calls on the Commission to develop a support framework for advancing renewable energies which will ensure international competitiveness, and to make proposals for at least 30 % renewable energy in the EU by 2030, maintaining the rate of increase in installed renewable energy at the current level while recognising that Member States have different capacities for generating and exploiting these sources;

27. Welcomes the Commission’s view of renewable energies as a no-regrets option, in conjunction with energy efficiency and energy infrastructure, as affirmed in the Energy Roadmap 2050 and endorsed by Parliament, and stresses the importance of developing smarter energy grids and new flexible, distributed and micro-level energy production and storage solutions; acknowledges, in this context, that the use of natural gas in the power generation, heating and transport sectors could contribute to an effective transition towards a completely decarbonised EU energy mix;

28. Points out that the EU is currently a global leader in renewable energy technology, with around half a million jobs already having been created in this sector; whereas higher shares of renewables will result in longer-term growth and increased energy security;

29. Welcomes the Commission’s commitment to deliver investment in energy research and innovation through the Horizon 2020 programme;

30. Points to hydropower as a major indigenous and renewable energy source which will continue to play a crucial role in electricity generation and storage in Europe;
31. Points out that sustainable agriculture and forestry are important tools for contributing to biomass energy production and achieving energy efficiency;

32. Calls on the Commission to recognise the value of carbon capture and storage (CCS) technologies, which can play an important role as part of the suite of solutions for reducing carbon emissions in Europe;

33. Calls on the Commission to incentivise and finance the switch to renewable technologies and to maintain the financing of CCS technologies through innovation funds such as NER300 and NER400;

34. Notes that it is essential that investments in energy transmission match the pace of investments in renewable and other sources of energy; stresses that a successful transition to a sustainable low-carbon economy requires additional interconnections that will facilitate cross-border trade and increase EU balancing capacity, thereby resulting in more cost-effective integration of renewable energy sources;

35. Emphasises that the expansion and upgrading of interconnections in southern European countries could contribute to the further uptake of renewables and to energy security in the region, and also catalyse the integration of the region’s energy markets with the rest of the EU and enhance the security of energy supply;

36. Considers that the persistence of energy-isolated geographical regions is in clear contradiction with the EU’s goal of energy security; stresses, in this context, the need to set binding and time-framed minimum cross-border interconnection capacity targets; urges the Commission to put in place adequate monitoring measures to ensure their timely achievement;

37. Stresses that a high level of environmental protection must be ensured in the context of considering energy security; recalls, in this connection, the environmental, climate and health risks and impacts related to the extraction of unconventional fossil fuels;

38. Calls on the Commission and the Member States to redesign subsidy mechanisms in order to facilitate the integration of the energy market and phase out all environmentally harmful subsidies, in particular for fossil fuels, and to make full use of funds for financing sustainable renewable energy sources which are not yet cost-competitive with conventional energy sources, on the basis, inter alia, of binding renewable targets agreed at EU level;

39. Reiterates the need to take immediate action in the transport sector, in terms of both efficiency improvements and decarbonisation, with a view to reducing the sector’s import dependence and total climate impact; calls for effective measures as part of a comprehensive and sustainable approach aimed at promoting emissions reduction, energy efficiency, the development of alternative fuels and the electrification of the transport sector;

40. Considers that the use of liquefied natural gas as a cleaner transitional fuel should be encouraged for heavy load vehicles and in the maritime sector;
41. Considers that in the housing sector deep renovation for energy efficiency and the promotion of zero-emission buildings should be a priority.
RESULT OF FINAL VOTE IN COMMITTEE

<table>
<thead>
<tr>
<th>Date adopted</th>
<th>26.3.2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result of final vote</td>
<td></td>
</tr>
<tr>
<td>+:</td>
<td>57</td>
</tr>
<tr>
<td>-:</td>
<td>10</td>
</tr>
<tr>
<td>0:</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Members present for the final vote</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Substitutes present for the final vote</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Substitutes under Rule 200(2) present for the final vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marie-Christine Boutonnet, Anthea McIntyre, Emilian Pavel</td>
</tr>
</tbody>
</table>
18.3.2015

OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION

for the Committee on Industry, Research and Energy

on the European Energy Security Strategy
(2014/2153(INI))

Rapporteur: Filiz Hyusmenova

SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Stresses that the EU cannot afford a continued fragmentation of the internal energy market; calls, therefore, for the full implementation of the existing regulatory framework (the Third Energy Package), sufficient energy interconnections between Member States and modernisation of the grids; believes, in addition, that the key objective of the EU energy security strategy must be to ensure that no Member State, or the EU collectively, is unduly vulnerable to disruption from a single energy supplier; emphasises that an energy security policy comprises various elements, with improved preparedness for disruptions in energy supply, cooperation and coordination in relations with third countries, and new infrastructure being just as important as, and developed in a way that chimes with, ambitions to develop renewable energy, implement energy efficiency measures and cut greenhouse gas emissions;

2. Underlines the positive impact that market integration has had on wholesale prices, and ultimately on retail prices in the electricity sector, allowing more affordable energy to be made available to citizens, and recalls that the potential net economic benefit that may be gained from the completion of the internal market for energy is in the range of EUR 16 billion to EUR 40 billion per year;

3. Believes that EU energy policy should seek to address the uncompetitive energy prices that have compounded the economic crisis and weakened European industrial competitiveness and which are affecting the overall energy security of our citizens;

4. Stresses the importance of Member States allocating adequate resources for market
surveillance of the energy efficiency of products, so as to ensure a level playing field for the industry while providing consumers with the most useful information and the right tools to make informed choices, to find out how much energy they use and to reduce their energy consumption;

5. Points out that, according to the latest edition of the Consumer Markets Scoreboard, the electricity market is one of the four most poorly functioning markets; stresses the importance of action to improve the provision of information to consumers about the breakdown of energy prices and about energy efficiency measures that would enable them to be actively involved in regulating their energy use, including the option of changing their provider easily;

6. Recalls its previous positions on setting ambitious energy efficiency goals and on the importance of speeding up the implementation of measures geared towards achieving these goals; emphasises that energy efficiency measures at European level are of the utmost importance in order to guarantee the EU’s energy independence while ensuring sustainable growth, developing training, creating jobs and enhancing the economic well-being of businesses, especially SMEs, and welcomes, in this connection, the proposal for the creation of a European Fund for Strategic Investments; demands, in this context, investments in energy efficiency, particularly in respect of buildings;

7. Stresses that important sectors could benefit from energy efficiency measures taken at EU and national level; calls on the Member States and the Commission to promote efficient energy use and to make full use of the opportunities afforded under public procurement directives to promote assessment on the basis of innovation and environmental criteria with a view to energy-efficient buildings and products becoming the norm; stresses the importance of providing consumers with accurate and simple information on the energy efficiency of those products; takes the view that further contributions to energy efficiency policy can be made by improving and further developing the legislation on energy labelling and ecodesign;

8. Stresses the added value of integrating ICT into energy systems in order to maximise energy efficiency, moderate demand, lower prices for consumers and empower them to better manage their energy usage; calls for the EU and its Member States to implement long-term campaigns to raise public awareness of the various ways of reducing energy consumption; emphasises the importance of ambitious energy efficiency policies for the residential sector in order to accelerate the renovation rate of buildings and improve district heating systems;

9. Recalls that it is necessary to strengthen the EU’s preparedness and capacity to respond effectively to potential gas supply crises; stresses the importance of the consultations opened by the Commission on 15 January 2015 with the aim of identifying areas in which improvements to the current EU rules are required in order to guarantee the security of gas supplies; notes that there is a need for better and deeper cooperation and coordination between Member States in the field of energy security;

10. Emphasises that the development of renewables would have a positive environmental and economic impact, while also contributing to the EU’s energy independence; emphasises the need to exploit the full potential of renewable energy, inter alia in the heating and
cooling sector, and to develop smart grids and new energy storage solutions; stresses that, since technology is an essential element in reducing energy demand, it is vital to support innovative projects focusing on renewable and clean energy; calls for funding for ‘secure, clean and efficient energy’, as indicated in Annex II to Regulation (EU) No 1291/2013, to be protected, since it will enable the EU to become the world leader in renewable and clean energies; calls on the Member States and the Commission to guarantee regulatory stability for renewable energies and to ensure that investments made in line with the EU’s energy objectives are protected, by providing a European level playing field;

11. Calls for greater attention to be paid to the emerging market for energy services (including energy performance contracting and energy service agreements); stresses the importance of developing standards for each element in the energy efficiency investment process; demands investments in energy efficiency, especially in buildings; stresses that important sectors such as tourism could benefit from energy efficiency measures taken at EU and national level; emphasises that coordinated and ambitious energy efficiency policies and measures for the residential sector are a stable, strategic, long-term solution to energy poverty;

12. Reminds the Member States of the recently produced European Energy Security Strategy and calls on them, in that connection, to step up regulatory and public financial support so as to accelerate the renovation rate of buildings and the improvement and/or roll-out of district heating systems;

13. Calls on the Commission, the Member States and regions to allocate funds for the development of carbon capture and storage technologies;

14. Urges the Commission and the Agency for the Cooperation of Energy Regulators (ACER) to place more emphasis on combating the problem of transmission curtailments at national borders; notes that savings equivalent to EUR 15 billion per year (10% of the gas wholesale price) could be possible if existing market imperfections allowing uncompetitive price differentials between Member States are addressed; believes that a stronger role for ACER is necessary for a well-functioning internal energy market, as this requires both the significant development of infrastructure and of interconnectors that allow cross-border trade, and the rigorous enforcement of existing capacity allocation rules; calls for efforts to be stepped up with a view to improving cross-border interconnection and developing smart grids; finds it regrettable that some Member States are still in an ‘energy island’ as a result of a lack of energy interconnections with the rest of the EU, and that in certain regions of the EU increasing amounts of intermittent renewable energy cannot be transported to consumers owing to a lack of sufficient infrastructure;

15. Stresses that regulated energy pricing is detrimental to competition and investment, and that its elimination is a precondition for achieving a well-functioning energy market;

16. Urges the Commission to implement the measures (as laid down in the Third Energy Package) intended to ensure that people can exercise the right to choose an energy supplier; stresses that the exercise of this right is not only of significant importance to consumers, but also further stimulates the wholesale energy markets;
17. Believes that an improved and more robust emissions trading scheme should ensure that the investments needed to achieve the EU’s long-term energy and climate objectives are obtained; stresses that the measures meant to strengthen the emissions trading scheme should safeguard the competitiveness of energy-intensive industry with a view to preventing business relocation, job losses and brain drain outside the European Union.
## RESULT OF FINAL VOTE IN COMMITTEE

<table>
<thead>
<tr>
<th>Date adopted</th>
<th>17.3.2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Result of final vote</strong></td>
<td></td>
</tr>
<tr>
<td>+:</td>
<td>32</td>
</tr>
<tr>
<td>-:</td>
<td>5</td>
</tr>
<tr>
<td>0:</td>
<td>1</td>
</tr>
<tr>
<td><strong>Members present for the final vote</strong></td>
<td>Dita Charanzová, Carlos Coelho, Sergio Gaetano Cofferati, Lara Comi, Anna Maria Corazza Bildt, Daniel Dalton, Dennis de Jong, Pascal Durand, Vicky Ford, Ildikó Gáll-Pelcz, Antanas Guoga, Robert Jarosław Iwaszkiewicz, Liisa Jaakonsaari, Antonio López-Istúriz White, Jiří Mašťálek, Eva Paunova, Jiří Pospíšil, Virginie Rozière, Christel Schaldemose, Olga Sehnalová, Mylène Troszczynski, Anneleen Van Bossuyt, Marco Zullo</td>
</tr>
<tr>
<td><strong>Substitutes present for the final vote</strong></td>
<td>Lucy Anderson, Jussi Halla-aho, Kaja Kallas, Emma McClarkin, Jens Nilsson, Julia Reda, Adam Szejnfeld, Lambert van Nistelrooij, Josef Weidenholzer, Kerstin Westphal</td>
</tr>
<tr>
<td><strong>Substitutes under Rule 200(2) present for the final vote</strong></td>
<td>Andrea Bocsor, Roger Helmer, György Hölvényi, Sylvia-Yvonne Kaufmann, Emilian Pavel</td>
</tr>
</tbody>
</table>
### RESULT OF FINAL VOTE IN COMMITTEE

<table>
<thead>
<tr>
<th>Date adopted</th>
<th>7.5.2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Result of final vote</strong></td>
<td></td>
</tr>
<tr>
<td>+:</td>
<td>42</td>
</tr>
<tr>
<td>−:</td>
<td>13</td>
</tr>
<tr>
<td>0:</td>
<td>4</td>
</tr>
<tr>
<td><strong>Substitutes present for the final vote</strong></td>
<td>Miriam Dalli, Cornelia Ernst, Eugen Freund, Francesc Gambús, Benedek Jávor, Olle Ludvigsson, Svetoslav Hristov Malinov, Vladimír Maňka, Marian-Jean Marinescu, Luděk Niedermayer, Piernicola Pedicini, Inmaculada Rodríguez-Piñero Fernández, Sofia Sakorafa, Paul Tang, Indrek Tarand, Cora van Nieuwenhuizen</td>
</tr>
<tr>
<td><strong>Substitutes under Rule 200(2) present for the final vote</strong></td>
<td>Daniela Aiuto, Fernando Maura Barandiarán, Claudia Tapardel</td>
</tr>
</tbody>
</table>