

Hearing of Andris Piebalgs (energy)

Andris Piebalgs of Latvia, who has been nominated Commissioner-designate for Energy, faced questions on Europe's dependence on imported energy, nuclear safety, renewable energy and market liberalisation during his hearing before the Committee on Industry, Research and Energy on Monday.

In his opening statement, Mr Piebalgs outlined his six priorities for energy policy: creating a better linkage between energy, environmental and research policies, ensuring a proper functioning of the internal market for gas and electricity, reducing energy demand, promoting renewable energy sources, strengthening nuclear safety and security, and further developing external energy policy relations.

Linking energy and environment and research policies

Mr Piebalgs told MEPs that *"energy policy is not only a question of security of supply. Environmental objectives have to be integrated in EU energy policy. The Kyoto Protocol requires us to take strong action to limit our CO₂ emissions. We must, however, acknowledge that action within the energy sector alone is not sufficient. Efforts have to be made also in other areas"*. In his view, *"energy and research policies should be directly linked, with the aim to support technological development and more efficient energy use"*.

Replying to a question from Lena EK (ALDE, SE) about combining the Kyoto protocol and Lisbon agenda, Mr Piebalgs stressed the importance of new technologies - *"In order to achieve the objectives of the Kyoto protocol we need to develop new competitive technologies. This would enable us to reach the Lisbon strategy goals and make the EU more competitive"*.

Liberalisation - concentrate on current legislation

Patrizia TOIA (ALDE, IT) questioned the Commissioner-designate on his views on the *"slow liberalisation"* of the energy markets at EU level, which she said meant that the consumers had not benefited. Mrs TOIA wanted to know if there would be a new strategy to tackle the deficiencies. *"It is too early to say there is a need to come forward with new proposals, we should see the current packages are properly implemented. A third package of proposals in 2005 would be premature."*

In order to ensure the proper functioning of the internal market for gas and electricity, the Commissioner-designate called on the Member States to make further progress in implementing existing legislation on market liberalisation. In his view, this would guarantee sufficient investment in infrastructure and promote competition in the market and energy efficiency. Mr Piebalgs stressed, in response to a question from Claude TURMES (Greens/EFA, LU), the importance of building interconnections between different markets, which *"would help to secure supply and prevent electricity blackouts and make markets more competitive"*.

In answering a question from Paul RÜBIG (EPP-ED, AT) on energy infrastructure development and lowering energy prices, the Commissioner-designate stressed that the EU energy market needed further reform. The EU should increase investment in programmes aimed at protecting

the environment. *"In order to have lower energy prices we need to work further on energy source differentiation,"* - said the Commissioner-designate.

Strengthening nuclear safety and security

The Commissioner-designate faced questions from Nils LUNDGREN (IND/DEM, SE), Rebecca HARMS (Greens/EFA, DE) and Johannes SWOBODA (PES, AT) about nuclear safety. *"Currently nuclear power is an important part of the EU's energy mix"*, argued the Commissioner-designate. He called for support from MEPs for the Commission's proposals on nuclear safety and on nuclear waste management. He underlined the importance of a proper legal nuclear safety framework; *"the EU rightly considers nuclear safety to be an essential objective, not just in the EU but also in neighbouring countries"*. Asked by Esko Olavi SEPPÄNEN (GUE/NGL, FI) and Ivo BELET (EPP-ED, BE), about the Commission's role in ensuring nuclear safety, Mr Piebalgs underlined that nuclear safety and nuclear waste management should remain as national competencies. *"Each country that has nuclear energy generation capacity should develop nuclear safety security in line with the latest scientific achievements"*. Mr Piebalgs also suggested that advances in technology would enable a solution to be found to resolve the problem of nuclear waste.

Asked by Ján HUDACKÝ (EPP-ED, SK) about a forecast for the use of nuclear power generation in 2020, Mr Piebalgs stated that *"according to the Commission's Green Paper, as a proportion of total energy consumption, nuclear power was diminishing."*

External energy policy - Russia key partner

In answering a question from Reino PAASILINNA (PES, FI) on how to tackle the issue of the EU's increasing energy import dependency and rising oil prices, Mr Piebalgs stated that *"increasing oil prices is something we should be ready for"*. He stated that the EU should look for other ways to reduce the negative effects of energy dependency. This could be partly achieved by energy efficiency, the increase use of renewables and structured dialogue with producing and consuming countries. In particular, Mr Piebalgs underlined the need to intensify co-operation with Russia. On Russia, he stated that *"cooperation has already been established within the framework of the EU-Russia Energy Dialogue. I shall be building on this and I am ready to establish even stronger relations with Russia, which has always been an important supplier to the EU. If Russia is ready for such a closer cooperation, there are three requirements that I consider vital. Investments in Russia must be guaranteed; Russia must address its maritime safety standards for the transport of oil and lastly, efforts must be made to improve nuclear safety. As far as trade in the field of electricity is concerned, we shall also be looking for reciprocity in terms of environmental standards."* He stressed that energy efficiency and full implementation of internal market legislation are prerequisites to tackle the problem of energy dependency.

Research and funding - priority for 7th Framework Programme

In response to questions by Nikolaos VAKALIS (EPP-ED, EL) and Britta THOMSEN (PES, DK) on encouraging research on energy and energy savings, Mr Piebalgs stated that *"presently, we spend some €400 million on short-term projects. For the 7th Framework Programme, it is important to define the priorities and I will ensure that energy savings will be one of these priorities."*

Renewable energy - clear goals and flexible methods

Alejo VIDAL-QUADRAS ROCA (EPP-ED, ES) asked the Commissioner-designate to comment on his views on renewable energies, he wanted to know if Mr Piebalgs favoured a *"one-size fits all policy"* on how the EU's renewable targets could be achieved, or whether individual Member States ought to be allowed to develop their own policies on renewables. In his response, Mr Piebalgs stated *"on renewables, we have learned from the successful use of wind energy. We need a good support system around the projects, less bureaucracy and the facilitation of access to the electricity grid. We should try to find national solutions, we have a common goal which is to promote renewable energy."*

Mechtild ROTHE (PES, DE) thanked the Commissioner-designate for supporting a sustainable energy policy approach. Mr Piebalgs suggested that the EU should develop a long-term strategy for renewables. The Commissioner-designate also said that in relation to renewables *"the Union has fixed the objective of 12 % of renewables in overall energy consumption. We also have an EU target for biofuels and an agreed objective of 22 % of 'green electricity' produced from renewable sources by 2010. However, if current trends continue, we might not exceed 18 %. I firmly believe we can do better in this vital area."*

Energy savings - EU directives are not enough

Umberto GUIDONI (EUL/NGL, IT) asked the Commissioner-designate to comment on how the general public could contribute to energy savings. In his response, Mr Piebalgs said, *"the implementation of EU directives by governments is not enough. The public need to be involved and are involved with the Intelligent Energy-Europe programme. The €4 million allocated to raising public awareness is essential. Each individual and each manager has to take responsibility."*

International Thermonuclear Experimental Reactor

On the question of the International Thermonuclear Experimental Reactor (ITER), Richard ASHWORTH (EPP-ED, UK) asked the Commissioner-designate how he planned to help with the EU's fusion programme and whether there was any merit in the Russian proposal that there could be a dual development of the ITER reactor. Responding, Mr Piebalgs said *"our preference is clearly for the consortium based in Cadarache in the south of France. The best way is that all interested countries finance this project. We should concentrate our efforts in Europe. We should also find greater finance from the EU budget, it could be difficult, but perhaps the host-state and the other states participating could donate more to make this project realistic. Thermonuclear fusion is a goal where we can make a real breakthrough."*

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