European Parliament resolution on a 2030 framework for climate and energy policies

The European Parliament,

– having regard to the Commission Green Paper ‘A 2030 framework for climate and energy policies’ (COM(2013)0169),

– having regard to the Treaty on the Functioning of the European Union and in particular Articles 191, 192 and 194 thereof,

– having regard to its resolution of 17 February 2011 on Europe 2020,


14 October 2013,


– having regard to the Commission White Paper of 28 March 2011 entitled ‘Roadmap to a Single European Transport Area – Towards a competitive and resource efficient transport system’ (COM(2011)0144), and to Parliament’s resolution of 15 December 2011 on ‘the Roadmap to a Single European Transport Area – Towards a competitive and resource efficient transport system’²,

– having regard to the Commission communication of 8 March 2011 entitled ‘A Roadmap for moving to a competitive low carbon economy in 2050’ (COM(2011)0112), and to Parliament’s resolution of 15 March 2012 on a roadmap for moving to a competitive low carbon economy in 2050³,

– having regard to the Commission communication of 20 September 2011 entitled ‘Roadmap to a Resource Efficient Europe’ (COM(2011)0571), and to Parliament’s resolution of 24 May 2012 on a resource-efficient Europe⁴,

– having regard to the Commission communication of 15 December 2011 entitled ‘Energy Roadmap 2050’ (COM(2011)0885), and to Parliament’s resolution of 14 March 2013 on ‘the Energy Roadmap 2050, a future with energy’⁵,

– having regard to the Commission communication of 10 October 2012 entitled ‘A stronger European industry for growth and economic recovery’ (COM(2012)0582),

– having regard to its resolution of 15 December 2010 on revision of the Energy Efficiency Action Plan⁶,

– having regard to the Commission communication of 27 March 2013 entitled ‘Renewable energy progress report’ (COM(2013)0175),

– having regard to its resolution of 21 November 2012 on the environmental impacts of

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¹ OJ L 1, 4.1.2003, p. 65.
shale gas and shale oil extraction activities,

– having regard to its resolution of 21 November 2012 on industrial, energy and other aspects of shale gas and oil,

– having regard to its resolution of 22 November 2012 on the Climate Change Conference in Doha, Qatar (COP 18),

– having regard to its resolution of 23 October 2013 on the climate change conference in Warsaw, Poland, (COP 19),

– having regard to its resolution of 12 September 2013 on ‘microgeneration – small-scale electricity and heat generation’,

– having regard to its resolution of 21 May 2013 on current challenges and opportunities for renewable energy in the European internal energy market,

– having regard to the Commission communication of 6 June 2012 entitled ‘Renewable energy: a major player in the European energy market’ (COM(2012)0271), and to Parliament’s resolution of 21 May 2013 on current challenges and opportunities for renewable energy in the European internal energy market,

– having regard to the Commission communication of 15 November 2012 entitled ‘Making the internal energy market work’ (COM(2012)0663), and to Parliament’s resolution of 10 September 2013 on making the internal energy market work,

– having regard to the Commission communication of 27 March 2013 on the Future of Carbon Capture and Storage in Europe (COM(2013)0180) and to Parliament’s resolution of 14 January 2014 on implementation report 2013: developing and applying carbon capture and storage technology in Europe,


– having regard to the Commission communication of 16 April 2013 entitled ‘An EU strategy on adaptation to climate change’ (COM(2013)0216),

– having regard to the European Council’s conclusions on GHG emissions reductions of 80-95% by 2050 compared to 1990 levels,

– having regard to its resolution of 6 May 2010 on mobilising information and

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communication technologies to facilitate the transition to an energy-efficient, low-carbon economy\(^1\),

- having regard to the joint deliberations of the Committee on the Environment, Public Health and Food Safety and the Committee on Industry, Research and Energy under Rule 51 of its Rules of Procedure,

- having regard to the report of 10 June 2013, commissioned by the Commission from the Centre for European Policy Studies, entitled ‘Assessment of cumulative cost impact for the steel industry’,

- having regard to the Commission staff working document entitled ‘Exploiting the employment potential of green growth’ (SWD(2012)0092),

- having regard to its resolution of 12 June 2012 on ‘engaging in energy policy cooperation with partners beyond our borders: a strategic approach to secure, sustainable and competitive energy supply’\(^2\),

- having regard to the joint report by the Commission and the International Labour Organisation entitled ‘Towards a greener economy: the social dimensions’,

- having regard to its resolution of 2 July 2013 on ‘blue growth: enhancing sustainable growth in the EU’s marine, maritime transport and tourism sectors’\(^3\),

- having regard to the Commission communication entitled ‘A policy framework for climate and energy in the period from 2020 to 2030’ (COM(2014)15),

- having regard to the Commission communication entitled ‘Energy prices and costs in Europe’ (COM(2014)21),

- having regard to Rule 48 of its Rules of Procedure,

- having regard to the report of the Committee on the Environment, Public Health and Food Safety and the Committee on Industry, Research and Energy, and the opinions of the Committee on Development and the Committee on Employment and Social Affairs (A7-0000/2014),

A. whereas security of energy supply, economic and technological competitiveness and climate objectives are of the utmost importance for the EU, are inextricably linked and must be addressed and considered on an equal footing;

B. whereas sustainable development is based on the balanced pillars of environmental, economic and social development; whereas the 2030 framework for climate and energy policies needs to combine careful consideration of climate commitments (both long- and short-term) with the need to address compelling economic and social issues such as energy security, high energy costs for industry and households, and the need for job

\(^1\) OJ C 81 E, 15.3.2011, p. 107.
\(^2\) OJ C 332 E, 15.11.2013, p. 28.
\(^3\) Texts adopted, 2.7.2013, P7_TA(2013)0300.
creation, economic recovery and a transition towards a sustainable growth model;

C. whereas this is acknowledged in the Treaty on the Functioning of the European Union (TFEU), which stipulates that the objectives of the Union’s energy policy include the functioning of the energy market, interconnections, security of energy supply and promotion of energy efficiency, energy savings, new and renewable energy sources, and that the Union’s environmental policy must contribute to preserving, protecting and improving the quality of the environment, protecting human health, prudent and rational utilisation of natural resources and the promotion of measures at international level to deal with regional or worldwide environmental problems, and in particular combating climate change;

D. whereas investors and industries need a simple, clear and long-term framework for EU climate and energy policy with greater levels of certainty, in order to encourage medium- and long-term sustainable investment, reduce the associated risk and take advantage of opportunities on the global market;

E. whereas there is a need to ensure the EU’s competitiveness in the global market;

F. whereas studies show that overall system costs and effects vary significantly among different generation sources; whereas such aspects should also be considered in the process of framing EU climate and energy policies;

G. whereas final energy prices have steadily increased over the last decade, and are therefore a growing preoccupation for EU citizens and a considerable cost for companies and industries;

H. whereas ever-increasing energy prices have led to higher rates of fuel poverty in the EU; whereas attention must be paid to the impact of climate and energy policy, not only on the most vulnerable groups in society but also on low- and middle-income households, whose standards of living have been squeezed in recent years;

I. whereas significant investment is needed to modernise the energy system, irrespective of decisions taken on the 2030 framework thus impacting on energy prices; whereas policy choices should avoid, to the greatest possible extent, adding to these anticipated rises;

J. whereas Eurostat figures show that the EU reduced its CO₂ emissions by 16.97 % between 1990 and 2011 and is on track to achieve its 2020 target in this regard;

K. whereas the Commission communication on the Energy Roadmap 2050, endorsed by Parliament, states that energy efficiency, renewable energies and energy infrastructure are the ‘no-regret’ options and that appropriate policies and instruments should be taken into account; whereas these must be accompanied by additional policies facilitating, for example, R&D and innovation, a fully functional internal energy market and improved coordination in external energy relations;

L. whereas the completion of the internal energy market is a precondition for the EU’s overall energy security, competitive energy prices and cost-effective fulfilment of its
climate policy objectives; whereas studies indicate that upgrading and developing the grids and providing more interconnections are an important way of improving the internal market, reducing energy costs and boosting the competitiveness of industry, as long as a cost-benefit analysis is used to target the relevant investments;

M. whereas the development of renewables and increased energy efficiency may have a favourable impact on climate and energy objectives, and strengthen the security of the EU’s energy supplies, as well as its industrial competitiveness in the long term;

N. whereas the IEA, in its Energy Efficiency Market Report 2013, has referred to energy efficiency as the world’s first fuel; whereas studies indicate that improving energy efficiency reduces costs, benefiting both industry and individuals;

O. whereas the international community committed itself at the 2009 Copenhagen summit to limiting global warming to 2°C above pre-industrial levels during the 21st century, and whereas it is currently not on track to honour this commitment;

P. whereas UN Statistics Division figures show that global CO$_2$ emissions increased by more than 50% between 1990 and 2010; whereas, according to the International Energy Outlook 2013, global energy use will grow by 56% between 2010 and 2040 (with non-OECD Asian countries accounting for 60% of the increase) and fossil fuels (including a remarkable share of coal) will continue to supply almost 80% of world energy use through to 2040; whereas the challenge of global climate change can only be addressed if ambitious EU policies are combined with commitments from third countries;

Q. whereas, while the EU is responsible for only 11% of global greenhouse gas emissions, according to IEA estimates, the European single market has the largest GDP of any economy in the world, which gives the EU significant diplomatic capacity; whereas, even though the EU has limited capacity to lower global emissions by means of unilateral action, it therefore has a significant leading role to play in leveraging climate action by other economies, particularly in the context of reaching a binding international agreement in Paris in 2015; whereas for the EU greenhouse gas emissions reduction target and other EU climate action to be successful, they should be part of a global effort;

R. whereas the EU’s import bill for fossil fuels amounted to EUR 406 billion in 2011, and whereas its dependence on energy imports is expected to grow; whereas this dependence leaves the Union vulnerable to world energy prices and political shocks, and undermines Union and Member State foreign policy autonomy;

S. whereas without coordination and cost-effective implementation the various subsidies for different energy sources and technologies distort competition and hinder the completion of the internal energy market, without increasing investment certainty;

T. whereas more than 40% of final energy in the EU is used for heating and cooling purposes, of which (according to the European Technology Platform on Renewable Heating and Cooling) 43% goes to households, 44% to industry and the rest (13%) to services;
U. whereas the IEA estimates that with the increasing decentralisation of energy supply the investment needs in energy infrastructure will shift from transmission level to distribution level;

V. whereas the local and regional levels play an essential role in promoting and implementing the measures needed to move towards a low-carbon economy;

**Climate objectives**

1. Welcomes the Commission Green Paper on a 2030 framework for climate and energy policies and expects the European Council to address all three pillars (sustainability, competitiveness and security of energy supply) with cost-effective and flexible responses that will work in both the short and the long term;

2. Is convinced that the Council and the Commission should take a multi-faceted, flexible and technologically diverse approach, the efficiency and cost-effectiveness of which should be enhanced by policies that are coordinated, coherent and mutually reinforcing and that address in equal measure issues such as competitiveness (including the EU’s reindustrialisation aspirations and affordable energy prices) and energy security (including reduced dependence on imports), as well as climate objectives (including policies on GHG emissions reduction, renewable energy sources and energy efficiency), and would thus contribute to creating jobs and fighting energy poverty, while reducing the risk of carbon leakage; such policies should be based on a bottom-up approach that allows the Member States to take advantage of their natural, economic and technological potentials, provided they comply with EU goals;

3. Believes, therefore, that one legally binding climate and energy objective in the form of an overarching CO2 emission reduction target would represent the most cost-effective way of reducing GHG emissions while encouraging new technologies and energy efficiency in a technologically neutral manner and reducing overregulation of economic sectors;

4. Notes, however, that renewable energy and energy efficiency have the potential to meet the GHG emissions reduction objective of the EU with a lower CO2 price, decreasing the burden on CO2 emitting industry; believes, therefore, that the development of those technologies should be encouraged either by indicative EU-wide targets or, if there was to be a second binding target, by a combined energy-efficiency and renewable-energy target, of which the effort should be shared between the Member States on a compulsory basis, according to their individual potentials, under the coordination of the Commission;

5. Considers that, for the latter target, the Member States should specify, by means of national action plans (as already called for by Parliament) what share of the target they intend to reach through energy efficiency improvements and what share through the deployment of renewable energy sources; believes that the national action plans should be subject to assessment and approval by the Commission, including as regards their compatibility with the EU internal energy market and EU targets; believes that such a combined-target approach would provide flexibility for the Member States when implementing renewable energy and energy efficiency policies, and should ensure
certainty for industry and investors in the 2030 perspective;

6. Calls on the Commission to develop, together with the industry sectors affected and as part of the 2030 climate and energy framework, sector-specific roadmaps allowing industry actors sufficient flexibility;

7. Finds it premature, however, to immediately establish a precise target for GHG emissions reduction; believes that although 40% compared to 1990 levels, as proposed by the Commission, could be feasible and cost-effective on an EU-wide scale, the EU should refrain from making final commitments at least until the UNFCCC COP21 in Paris in 2015, which is expected to facilitate the establishment of a set of legally binding global regimes for reducing GHG emissions;

8. Believes, therefore, that objectives for 2030 should be correlated with the ongoing international negotiations on a new climate agreement, as only a global effort that includes commitments by all major emitting countries, both in the developed and developing world, committing to undertake their fair and comparable share of an emissions reduction, has the potential to deliver a rapid and substantive reduction in global emissions;

9. Notes that these efforts will rely on differing shares of the most sustainable technologies in the Member States: renewables, nuclear energy, and carbon capture and storage if it becomes available in time; notes that the integration of a higher share of renewables will require significant extensions of transmission and distribution networks and additional dispatchable back-up capacity and/or storage capacity;

10. Recalls that the Member States remain competent for choosing their own energy mix and should thus decide on the optimal mix for meeting energy policy objectives; is convinced, however, that the best way of securing the EU’s current and future energy needs is a balanced and differentiated energy mix, which reduces dependence on single sources of energy without creating new forms of dependence, bearing in mind that the Commission advises reducing our fossil energy dependence; urges the Member States to take these factors into account;

11. Takes the view that both long-term EU policy objectives and specific policy tools for reducing greenhouse gas emissions must consistently be based on 1990 as the reference year;

12. Notes that the EU Emissions Trading System (ETS) is the main instrument for driving the reduction of GHG emissions in the participating sectors in a cost-efficient manner; recalls that the main objective of the EU ETS is to reduce GHG emissions and that it should ideally provide investors with sufficient incentives to invest in low-carbon technologies in the EU; points out, however, that the market price of allowances cannot be the sole factor in determining whether the ETS works as envisaged; considers that steps should be taken when revising the ETS to ensure that the scheme remains a fully market-based-system which is able to adapt to economic fluctuations, in order to avoid future market interventions; asks the Commission to consider mandatory earmarking of auction revenues for innovative, sustainable technologies and to maintain the provisions regarding sectors and sub-sectors exposed to a significant risk of carbon leakage, at
least until an international agreement on combating climate change is in place;

13. Takes the view that best performers in each sector should not incur any direct or indirect costs resulting from the EU energy and climate framework and calls on the Commission to enshrine this principle in its relevant proposals; considers, in this connection, that the carbon leakage provisions in the EU ETS and the free allocation of allowances at the level of best performance are effective tools to protect sectors exposed to international competition; asks the Commission, therefore, to propose and improve relevant measures for the period up to 2030; calls on the Commission to assess alternative means to protect the industry from the CO\textsubscript{2} costs pass-through into energy prices such as the allocation of free allowances to electricity-intensive sectors on the basis of their indirect CO\textsubscript{2} costs;

14. Stresses that both direct and indirect cost increases from the EU ETS must be fully compensated for energy-intensive industries; points out, however, that this must not increase competitiveness differences between the Member States and thus should be implemented as an EU-level system by each Member State;

15. Takes the view that the 2030 climate framework should take into account sectoral differences and technical and economic feasibility; draws attention to the different ways in which the ETS impacts on manufacturing industry and the energy economy and in order to avoid carbon-leakage; considers that these sectors need to be treated differently in future by the ETS;

16. Notes that the EU needs a comprehensive policy framework for 2030 that encourages investment in, and the long-term decarbonisation of, non-ETS sectors, which are responsible for almost 60\% of EU greenhouse gas emissions; underlines the significant unused energy efficiency potential in specific sectors such as buildings and transport (with an estimated energy efficiency potential of 61\% and 41\%, respectively); stresses that non-ETS sectors can significantly ease the EU’s carbon reduction effort; calls on the Commission and the Member States to continue with an ambitious framework for non-ETS sectors to 2030 while preserving the Member States’ flexibility to define their own ways of meeting their effort-sharing targets; acknowledges that targets for non-ETS sectors should be based on a bottom-up assessment of each sector’s potential;

17. Sees an important role for advanced biofuels in reducing greenhouse gas emissions in transport, while increasing energy security and contributing to growth and jobs;

18. Stresses that increased energy efficiency should be seen as one of the cornerstones of the EU’s climate and energy policy; is convinced that energy efficiency helps to conserve resources, to reduce energy bills, energy dependence on imported fuels and trade deficits and may improve the long-term international competitiveness of the EU economy, as well as facilitating the reduction of the EU’s greenhouse gas emissions; calls on the Member States to implement the Energy Efficiency Directive and the Energy Performance of Buildings Directive promptly and fully and agrees with the Commission that the revision of the former is the best opportunity to consider further steps in this respect; stresses that the potential of each economic sector and each economic situation need to be taken into account in designing new policies on energy efficiency, and that the move towards improved energy efficiency should focus on the whole of the energy supply and demand chain, including transformation, transmission,
distribution and supply, along with industrial, building and household consumption, and transport; recognises the benefits of awareness-raising campaigns on energy efficiency;

19. Asks the Commission to work on developing better methods and tools for calculating and monitoring progress that could help in the design of a more consistent and transparent EU approach to energy efficiency, and to work with the Member States to overcome political obstacles; notes that energy intensity relative to economic output has been improving for decades, mainly for economic reasons; believes that energy efficiency can also be a significant driver for material sciences and that more should be done to help EU industries further improve their energy intensity and their competitiveness (in particular via self-generation of heat and power), which will help to reduce the risk of carbon leakage; asks the Commission to evaluate and assess the progress and evolution of energy efficiency in the EU in comparison with the EU’s main global competitors, to improve energy projections in the light of specific non-economic drivers of energy efficiency improvements and the benefits of energy savings, and to elaborate on favourable conditions for energy efficiency investments in the context of the revision of state aid guidelines; asks the Commission to continue to assess, in a timely manner, the progression of energy savings in the EU in relation to the implementation of the Energy Efficiency Directive and the upcoming review thereof;

20. Stresses that expansion of renewable energy sources at national level, which is somewhat uncoordinated and in some cases is proceeding extremely quickly, is having a serious impact on the EU internal energy market (inter alia through loop flows); insists that all relevant aspects of energy supply systems be factored into decisions on further expansion of renewables;

21. Takes the view that support schemes, if well-designed, flexible and predictable, are an appropriate tool for incentivising the cost-efficient development and deployment of RES and energy efficiency; stresses that any national RES support schemes should gradually move towards a more integrated system of support at EU or sub-EU level, taking into account both technology maturity levels and regional and geographical differences, which could provide a framework closer to the market, investment certainty and a level playing field; sees an important role for the Commission in providing guidance in this regard, including the compliance of support schemes with internal market and state aid rules, bearing in mind the importance of the Horizon 2020 programme for research and innovation;

22. Understands that, in order to allow maximum utilisation of RES capacity, the 2030 objectives should focus on developing the overall power system: the framework should focus on the overall power system optimisation;

23. Believes that, in order for RES production to be efficient, improvements in grid flexibility, infrastructure and energy transport capacity are required;

24. Considers that EU regional policy has a key role to play in promoting renewable energy production and energy efficiency on a Europe-wide scale; notes that differing geographical conditions make it impossible to apply a ‘one-size-fits-all’ energy policy to all regions;
25. Calls on the Commission, with a view to the rapid integration of renewables, also to make proposals for a core market comprising those Member States favourable to such integration which wish to cooperate rapidly in the common production, distribution and use of electricity;

26. Notes that some renewable energy sources, such as onshore wind and solar photovoltaics, are close to being cost-competitive with conventional energy sources, and considers that the associated support schemes should therefore be adapted, and subsidies phased out over time, so that the funding can be reallocated to research and development programmes on energy technologies such as next-generation renewable energy sources and storage technologies; stresses, however, that this should be announced well in advance to avoid any harmful effects on the sector, and that it requires reformed energy market design, streamlined administrative and grid connection procedures and better transparency in energy markets; deplores the retroactive changes made by some Member States to support schemes, which have damaged investor confidence and investment levels in renewable energy sources; asks the Commission to study how energy-only markets can be redesigned in such a way as to guarantee returns on investments in variable renewables, which have the effect of bringing wholesale prices down while also having an impact on investment returns; stresses that a clear RES policy, combined with R&D programmes, is necessary to drive down the costs of all renewable technologies and to enhance innovation and the development and deployment of newer and less mature technologies; asks the Commission to study the overall impact of RES priority dispatch, including on general energy costs;

27. Believes that market mechanisms and competition are preconditions for the long-term development of renewable energy in Europe and that RES should be integrated into the market under normal conditions as soon as practically possible;

28. Recognises that subsidies for all energy sources may have significant repercussions on energy prices; notes that a number of subsidies are creating structural market distortions in a number of Member States; calls on the Member States to phase out such subsidies, and in particular environmentally harmful direct and indirect subsidies, as soon as possible;

29. Asks the Commission to compile an inventory of all national and European subsidies and support schemes for renewable energy sources, and calls on the Member States, in collaboration with the Commission, to introduce coherence and transparency at EU level;

30. Sees an important role for cogeneration and efficient district heating and cooling in increasing energy efficiency, optimising the use of renewable energy sources to generate heat or electricity, and improving local air quality both at present and in the future; calls on the EU to consider the full integration of the heating and cooling sector in the pathways towards a sustainable energy system; notes that this sector currently accounts for about 45% of final energy consumption in the EU; calls on the Commission, therefore, to gather the requisite data on the sources and uses of heating and cooling and the distribution of heat to different groups of final consumers (e.g. residential, industry, tertiary); calls on the Commission and the Member States,
furthermore, to support the readily available efficient heating and cooling solutions;

31. Underlines the significant potential of district heating and cooling in increasing energy efficiency by recycling heat from electricity production in combined heat and power plants, waste incineration plants and industrial energy processes, which would otherwise be wasted; notes, moreover, that this provides an integrated solution in urban areas which will allow the EU to reduce its reliance on energy imports and keep the cost of heating and cooling affordable for citizens;

32. Calls on the Commission and the Member States to analyse the remaining potential of renewables for heating and cooling and to look into synergies between increased consumption of renewables and the implementation of the Energy Efficiency Directive and the Building Directive;

33. Stresses that active forestry, which increases growth and hence the absorption of carbon dioxide, is an important and cost-effective way of helping to attain the climate targets; notes that each extra cubic metre of forest produced by means of active cultivation absorbs approximately 1.3 tonnes of carbon dioxide; calls on the Commission and the Member States to devise incentives for owners of woods to contribute actively to increased climate benefits, for example by focusing on regional measures which increase lasting forest production and absorption of carbon dioxide;

34. Notes that the ICT sector, which is a major consumer of electricity, with data centres in the EU accounting for up to 1.5 % of total electricity consumption and consumers being increasingly aware of the carbon footprint of the IT and cloud services they use, has vast potential for energy savings and could become a role model for energy efficiency;

**Coherence of policy instruments**

35. Reiterates that the 2030 framework for energy and climate policies has to deliver on its objectives in the most cost-effective manner; believes that this could be achieved by sending clear investment signals and avoiding overcompensation and excessive complexity and regulatory burden for industry; considers that the framework should therefore allow the Member States flexibility and freedom within the limits it establishes and provide stability and clarity for investment decisions; calls on the Member States to comply fully with the EU framework;

36. Stresses the importance of enhanced coordination in addressing the many challenges in the climate and energy field, creating a transparent EU energy market and establishing exchanges of best practice on energy matters at EU level, so as to make national measures more efficient and consistent; believes that the 2030 framework for climate and energy policies should include provisions requiring the Member States to discuss with neighbouring countries any plans for significant changes in their energy supply;

37. Asks the Commission to examine the interactions between climate and energy objectives in order to achieve the most efficient policies at EU level, so as to avoid the problems encountered when targets and measures have not been set coherently, taking into consideration not only national GDP but also the capacity and potential of each Member State to achieve cost-efficient emissions reductions; recalls that energy
efficiency improvements in non-ETS sectors, such as buildings and transport, will result in significant greenhouse gas emissions reductions;

38. Notes that discussion of the 2030 objectives should be based on firm economic analysis of their potential impact, broken down by country and by sector; asks the Commission to publish all available data and analysis on the subject in order to ascertain whether the burden placed on the Member States would be unequal;

39. Believes that the Member States and regions should be encouraged to improve cooperation in order to optimise research, development, innovation efforts and the efficiency of renewables expansion, including with regard to offshore wind energy; regrets the fact that, to date, the cooperation mechanisms introduced under the Renewable Energy Sources Directive 2009 have hardly been utilised, and calls for increased use of these mechanisms; takes note of the Commission’s findings that better use of the existing scope for cooperation could bring considerable benefits, such as boosting trade; emphasises that regional integration has a huge role to play in deploying renewable energy sources cost-effectively; considers, in this connection, that the Commission has an important role to play in coordinating, financially supporting and preparing appropriate analyses of renewable energy resources and of the potential of each Member State, and as a driver for the gradual convergence of national RES policies;

40. Calls on the Commission to submit an analysis of how different energy sources, including renewable ones, can be developed more sustainably and cost-effectively, taking into account environmental impact (including, for example, visual impacts), total system costs, aspects relating to dependence on raw materials (particularly rare earths, which are scarce in Europe), resource efficiency and lifecycle;

41. 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 and geothermal power can, together with fossil fuel sources, complement variable renewable sources;

42. Asks the Commission to investigate the potential of, and the various possible technologies for, energy storage in the EU, especially with regard to heat and electricity, with a view to supporting a more integrated approach to energy supply and demand; notes that R&D&I in the area of storage technologies and applications can play an important role in storing excess renewable electricity and balancing energy grids; asks the Commission, therefore, to make full use of existing funding possibilities for such research;

43. Highlights the important role of resource efficiency in achieving the EU’s climate and energy objectives; urges the Commission and the Member States to integrate resource efficiency effectively in other key policy areas, to exchange best practice and to phase out subsidies that lead to inefficient use of resources;

44. Underlines the importance of local and regional climate and energy initiatives, as they can contribute significantly to national mitigation efforts and the further development of decentralised energy generation; recommends that the Commission support such
initiatives;

45. Notes that the current EU energy and climate framework fails to reflect the differences in energy usage between cities and off-grid rural areas; notes that certain energy challenges are more acute in rural areas (poor energy efficiency, energy affordability, the high carbon footprint of solid and liquid heating fuels);

46. Calls on the Commission to draw up a rural energy strategy as part of the 2030 framework for climate and energy policies, in order to analyse some of the particular challenges confronted by off-grid energy consumers and make a series of policy recommendations to the Member States;

47. Believes that the 2030 framework for climate and energy policies should incorporate instruments available within EU regional policy in order to achieve the 2030 targets, and that this should include better use of the European Structural and Investment Funds for the development of decentralised renewable energy projects, clean fuel projects in urban and rural areas and energy efficiency projects;

48. Encourages the Commission to make better use of the REFIT programme to limit the proliferation of legislation and to put an end to overlapping of environmental and energy objectives, which can sometimes have a contradictory effect;

Energy security and internal energy market

49. Emphasises that security of energy supply is crucial for EU citizens and businesses; underlines the importance of the 2030 framework for climate and energy policies addressing the need for increased energy security, environmental sustainability, economic and industrial competitiveness in the EU, affordable energy prices for all Europeans, increased resilience to global energy shocks, and job creation, along with social aspects, through measures such as the diversification of energy supply routes, suppliers and sources;

50. Stresses that in order to achieve security of supply the Member States can choose their national energy mix and take advantage of all their own energy resources, provided that they meet the Union’s long-term energy and climate objectives and ensure safe, environmentally sustainable and socially acceptable practices, including in the context of exploration and extraction activities, while also taking into account possible harmful cross-border effects;

51. Notes that in order to ensure security of energy supply there must be sufficient flexible and reliable resources to provide the capacity needed in periods of peak demand as well as in periods marked by political, economic or technological difficulties, and that such capacity can be provided by means of flexible backup, demand-side management, cross-border trading and interconnection, and more efficient use of existing excess capacity; points out the need for energy storage and more flexible and dynamic grids, on account of the rising supply of variable sources of renewable energy; calls on the Commission to prepare guidance on the use and deployment of all flexible resources;

52. Stresses that, as the EU pursues its goal of energy security, one of the priorities is to
develop a model of cooperation between the Member States by ensuring the swift completion of the EU internal energy market, including, in particular, the construction of interconnectors and the elimination of cross-border barriers; believes, furthermore, that completing and modernising the EU infrastructure linking the north, south, east and west will enable the EU to make the best use of the comparative advantages of each Member State; stresses the need for further development of macro-regional power markets in the EU, such as the Nord Pool and Central West markets; stresses, therefore, the need for strong coordination between the Member States’ policies and for joint action, solidarity and transparency, as national energy policy decisions can affect other Member States; suggests that it would be desirable to determine whether and how the expertise and facilities of the Agency for the Cooperation of Energy Regulators could be put to use in carrying out the above tasks, and how better cooperation between transmission system operators could be ensured;

53. Notes that the physical integration of energy infrastructure between the Member States is a precondition for the proper functioning of energy markets and the sharing of electricity across borders; recalls, in this connection, the conclusions of the 2002 Barcelona European Council, which set a non-binding electricity interconnection target of 10% of national installed production capacity, to be achieved by 2005; stresses that the majority of Member States have not achieved this goal; calls on the Commission, therefore, to propose a possible new model and new commitments for the physical integration of electricity infrastructure between the Member States (taking into account the feasibility of setting binding targets for minimum cross-border transmission capacity), along with a clear timeframe for deployment; believes that this would facilitate cross-border trade;

54. Notes that some Member States (along with certain island and outermost regions), being energy islands or relatively weakly integrated into the European internal energy market, are still largely isolated from the European gas and electricity networks, often remain dependent on a single non-EU supplier (which is particularly precarious in the case of politically unstable or undemocratic regimes) and pay higher prices for energy, which adversely affects their competitiveness and economic and social development and makes them vulnerable to political and economic pressure from outside; points out that without substantial infrastructure investment, the European Council’s commitment that no Member State would remain isolated from the EU networks by 2015 can hardly be fulfilled for those Member States; favours, in this connection, the swift implementation of the list of projects of common interest released in October 2013;

55. Underlines the importance of the completion of the Southern Gas Corridor; in this connection, welcomes the decision in favour of the Trans-Adriatic-Pipeline (TAP) as the most cost-effective and flexible option; stresses the importance of the incorporation of the Interconnector-Greece-Bulgaria (IGB) and the Interconnector-Greece-Italy (IGI) into the European internal energy market and other relevant infrastructure in order to facilitate the flow of natural gas from southern Europe towards central European markets;

56. Stresses that modernising the existing energy infrastructure and building new, intelligent and flexible infrastructure at all grid levels for the generation, transmission
(especially via cross-border gas and electricity interconnectors), distribution and storage of energy, for both heat and electricity, is essential for a stable, well-integrated and well-connected energy market with diversified sources of supply, in which any negative effects, such as unplanned power flows, are avoided; emphasises that large-scale investments should be made in parallel with investments in regional or even local networks; stresses that infrastructure investments aimed at achieving such objectives should be granted EU support at each stage of their implementation in line with new guidelines for trans-European energy infrastructure, and should be supported by the Connecting Europe Facility, which is aimed at accelerating investment in the field of trans-European networks of trans-European importance and leveraging funding from both the public and the private sectors; highlights the need to support coherent, efficient and better-coordinated permit-granting regimes for infrastructure investment across the EU; notes that, in connection with the use of smart technologies, data protection issues must also be taken into account;

57. Stresses that stimulating microgeneration will be a vital element in raising the share of renewable energy sources; stresses the role of community-owned initiatives, including cooperatives, at each stage in the energy chain: production, consumption and retailing; notes, in this connection, that a decentralised renewable energy supply can help mitigate problems faced by electricity networks and reduce the need to build new transmission lines, and hence the associated costs, as decentralised technologies are much closer to the end consumers; notes, therefore, the increasing need for investment at distribution level;

58. Points out that gas will play an important role in the transformation of the EU energy system and recognises the potential of natural gas to provide flexibility in the energy supply system; believes that a coherent policy and regulatory framework should not disincentivise switching from high-carbon power generation to natural gas; calls on the Commission and the Member States, with regard to the internal gas market, to review all gas contracts based on obsolete pricing mechanisms, including the crude oil index, and urges the Commission to assist in exploring the possibility of renegotiating these contracts and of strengthening short-term gas trading capacity; underlines recent developments in the global energy market and recalls the important contribution that LNG can make to the EU’s energy supply thanks to its impact on the EU internal energy market, the geopolitics of energy in the EU’s neighbourhood and relations with traditional supplier countries;

59. Highlights the great offshore wind potential of the North Sea; emphasises the importance of the North Sea offshore grid in enabling cost-effective deployment of renewables in the North Sea; acknowledges, in this connection, the importance of the North Sea Countries’ Offshore Grid initiative and calls on the Member States concerned and the Commission to give it more prominence and support;

60. Stresses the need to ensure the energy security and eventual self-sufficiency of the EU, to be achieved primarily by promoting energy efficiency and savings and renewable energy, which will, together with other alternative sources of energy, reduce import dependence; notes the emerging interest in the exploration of oil and gas fields in the Mediterranean Sea and the Black Sea; believes that, in the context of the EU policy on
oil and gas drilling at sea, emphasis should be put on preventing potential hazards and
delineating exclusive economic zones for the Member States concerned and relevant
third countries in accordance with the UN Convention on the Law of the Sea, to which
all the Member States, and the EU itself, are signatories; emphasises that the EU should
maintain a high political profile with respect to the granting of licensing rights for
drilling and the delineation of Exclusive Economic Zones (EEZs), and that the EU, in
cooperation with the Member States concerned, should seek to preclude international
discord; acknowledges that protecting Europe’s maritime borders is a challenge for the
EU and its Member States;

61. Takes the view that carbon capture and storage (CCS) could play an important role in
reducing greenhouse gas emissions (as acknowledged in the Commission’s 2050
low-carbon roadmap and its Energy Roadmap 2050), at least for a transitional period,
especially for energy-intensive industries; notes, however, the lack of public and private
investment in this area; calls on the Commission to analyse the best way forward as
regards the development of CCS technologies in the EU, and to propose appropriate
measures within the 2030 framework in order to mobilise stakeholders and the
necessary funding; stresses that both renewables and CCS have a role to play in the
future EU energy mix and should not be regarded as being in competition with one
another; asks the Commission, furthermore, to intensify exchanges of best practice and
information with the US and Canada on CCS technology;

62. Agrees with the Commission that the European level can help reduce state intervention
at all levels, thereby reducing the risk of market fragmentation; calls on the
Commission, therefore, to continue with the unbundling process and the creation of an
optimal power system; calls on the Member States to implement fully and in a timely
manner the third legislative package on the internal energy market in order to remove
all remaining obstacles to completion of the single market; highlights the importance of
eliminating remaining infrastructure bottlenecks, instances of market failure, and
distortion or abuse of dominant position, tackling lack of transparency and ensuring that
no new barriers to electricity and gas market integration, such as badly designed
capacity markets, are created; calls on the Commission to take market design into
account in its 2030 proposals in order to improve electricity trading and develop
transparent balancing and grid support services markets; stresses that the gradual
phasing-out throughout the EU of regulated prices for the final consumer, which are
below the costs incurred, should take into account the legitimate interests of vulnerable
consumers, who are not always able to benefit from real competition in energy markets;

63. Recognises that the extension of the internal energy market rules to south-east and
eastern Europe is indispensable for the EU’s energy security and therefore asks the
Member States and the Commission to maintain their political support for the Energy
Community;

64. Stresses that energy end consumers – individuals, SMEs and industry alike – are at the
very core of the internal energy market and should benefit from the lowest possible
energy costs and prices, which should be transparent, that they should be accurately
informed and advised by means of easy access to information, so as to promote
responsible energy consumption, and that their exposure to rising and increasingly
volatile energy prices should be addressed; notes the importance of facilitating the creation and management of citizens’ initiatives;

65. Stresses the need to address in the new framework the consequences of increasing energy prices and the economic crisis as regards the affordability of energy and the fair sharing of financial burdens by final consumers (households and businesses); calls, in particular, for measures which could prevent job losses in adversely affected EU industries with a high level of energy consumption, which are among the cleanest in the world in their sectors; recognises that cost-efficient energy savings can lower energy bills for both households and businesses;

66. Calls on the Commission and the Member States to pay particular attention to energy affordability and fuel/energy poverty; believes that a coherent policy framework is needed to tackle these issues, and invites the Commission to promote the exchange of best practice in this area and work with the Member States to develop indicators and benchmarks for identifying and comparing current and potential energy poverty; notes that energy is an essential service covered by Protocol No 26 on Services of General Interest, appended to the Treaty of Lisbon; stresses that the costs of energy policy should be recovered in the fairest manner possible, with a special emphasis on low-income, vulnerable households, which are most affected by high energy prices; considers that consumer engagement should be promoted; stresses that the upgrading of markets and infrastructure should meet citizens’ needs, and that there should be transparency and accountability for the investments made;

**Fostering the competitiveness of the EU economy**

67. Notes that the EU has the highest environmental standards globally, an ageing population and high unemployment rates in many Member States, that current economic growth is low or non-existent and that this can only be rectified by increasing the EU’s competitiveness;

68. Notes also that economic activity in the EU since the introduction of the 2020 package has decreased and that many of the products EU citizens buy, which can only be produced and transported by using energy and producing CO$_2$, are imported into the Union and thus by definition diminish competitiveness, employment, growth and intra-EU energy consumption and lead to an increase in carbon leakage and unemployment, and effectively export our emissions to third countries;

69. Considers that, although many energy policy objectives can be attained by raising energy prices and thereby reducing economic activity, the challenge is to attain these objectives at the same time as increasing economic activity;

70. Believes that a clear and credible 2030 framework will spur investment in innovative technologies, incentivise R&D and drive private investment, which, coupled with public support, will provide a much-needed economic stimulus to boost the wider economy, leading to increased competitiveness, growth and high-quality jobs that cannot be relocated outside the Union; considers that such increased investment should result in lower production costs for European industry through increased energy and resource efficiency, and reduce vulnerability to world energy price fluctuations, thus in turn
creating a more stable investment environment;

71. Invites the Commission to elaborate on a way of measuring the competitiveness of the EU and its main competitors, which could, for example, be based on industrial energy prices, fiscal policies, R&D, innovation, technology exports, the number of researchers and highly skilled workers, environmental and energy policies, wage and productivity levels, infrastructure, unnecessary regulatory burdens and other relevant factors;

72. Calls on the Commission to launch a study analysing new, cost-efficient energy market designs with a view to ensuring the lowest possible energy prices for industry and consumers and the best return on investment, integrating more variable renewable energy sources and preventing carbon leakage; asks the Commission, therefore, to come forward as soon as possible with an additional assessment and recommendations for further action to better coordinate climate, environment and industrial policies and prevent the risk of carbon leakage, notably in energy-intensive sectors, as a result of the relocation of production facilities and investment outside the EU, while taking into account an additional scenario in which limited, or no further, global action is taken on the reduction of greenhouse gas emissions;

73. Believes that a completed, open and transparent internal market, in which all EU and third-country companies comply with the acquis communautaire, particularly in the fields of energy and the environment, can ensure a level playing field for EU energy suppliers vis-à-vis third-country energy producers and strengthen their negotiating position;

74. Emphasises the need for dialogue with non-EU countries on the implementation of the principles laid down by the EU for environmental protection, the use of green technologies and the maintenance of a satisfactory conservation status;

75. Strongly emphasises that any future EU policy must address the comparative strengths and weaknesses of its economy, particularly with regard to any free trade agreement the EU signs up to, while also taking into account the measures taken to reduce greenhouse gas emissions and the economic benefits of doing so;

76. Notes that, according to the IEA, energy prices in Europe rose by 38 % between 2005 and 2012, whereas in the USA they fell by 4 % over the same period; expresses its concern about the impact of this on Europe’s competitiveness; highlights the importance of the planned free trade agreement (TTIP) with the USA, where energy prices and CO₂ emissions have been decreasing mainly as a result of a shift from coal to shale gas;

77. Asks the Commission to develop a comprehensive analysis of the overall system costs and effects of different energy sources and their impact on generation adequacy in the long run;

78. Stresses that energy prices for consumers and industry are a very important element of household budgets and production costs, respectively; takes the view that the EU’s climate goals should be set in a way which does not undermine its competitiveness and the security of its energy supply; demands, therefore, that any new policy instrument relating to these climate objectives undergo a mandatory, thorough impact assessment.
of its effect on the competitiveness of the EU and of the Member States; urges the Commission and the Member States to integrate the EU’s industrial competitiveness as fully as possible into all other policy areas, and supports the Commission’s proposal to raise industry’s share of the EU’s GDP to 20%;

79. Notes that the EU’s main competitors on the global market place great emphasis on technological developments, innovation and improvements to industrial processes while avoiding binding targets; notes also that most of their economies are growing at a faster pace than that of the EU; concludes that the EU must give priority to R&D (including the development of scientific and technological partnerships with its international partners), innovation (especially the creation of European added value in the development and domestic production of sustainable technologies) and improving the productivity of industrial processes;

80. Calls on the Commission to better outline the potential for employment in sustainable energy sectors in each Member State and in the Union as a whole; calls for measures to be taken to anticipate, meet and match the skills set needed for newly created jobs, to make adjustments to education and training systems and to meet new challenges in existing jobs whose profiles are moving towards those of greener jobs;

81. Urges the Commission, however, to carefully weigh up the impact of new policies in terms of estimated ‘green job’ creation versus the loss of industrial competitiveness and existing jobs in other sectors, with a special emphasis on heavy industries and acknowledging differing circumstances in Member States;

82. Calls for measures to prevent job losses in the most affected high-carbon sectors, such as electricity production, transport, construction and energy-intensive industries, which are in general the greenest and most energy-efficient in the world; calls for the facilitation of the transfer of workers from affected high-carbon sectors to other sectors in the event of job losses in those sectors;

83. Stresses that social dialogue and the participation of workers are fundamental values and tools which underpin and reconcile the promotion of social cohesion, quality employment and job creation;

84. Draws attention to the key role played by SMEs as generators of economic growth in the EU, and calls on the Commission and the Member States to create a favourable environment for, and actively encourage, investment by SMEs in energy-saving technologies;

85. Urges the Member States and the international community to promote science, technology, engineering and mathematics (STEM) education for the energy sector and to maintain educational institutions capable of producing a skilled labour force and the next generation of scientists and innovators, who will help in achieving the goal of an energy-self-reliant and sustainable Europe; recalls, in this connection, the important role of Horizon 2020 and of the European Institute of Innovation and Technology in bridging the gap between research, education and applied innovation in the energy sector;
Acknowledging the differing capacity of Member States

86. Welcomes the Commission’s remarks that the EU climate and energy targets can have a differing impact on each Member State and its citizens, which therefore makes it fair to take into account each country’s individual circumstances (such as its GDP), with particular attention to those facing severe financial difficulties, its achievements in reducing emissions since 1990, its emissions per capita, its economic potential and potential for emissions reduction, the energy sources at its disposal and its access to technologies and energy-saving capacity;

87. Points out that adopting a decarbonisation strategy that does not take account of the situation of some Member States may lead to a massive increase in energy poverty in those countries;

88. Stresses that under Article 194 TFEU the EU is responsible for completing the internal energy market and for promoting renewable energy sources and energy efficiency, while the Member States take decisions regarding their energy mix and should be able to use and develop different approaches based on technologies and energy sources that are environmentally sound, socially and economically acceptable and, in accordance with the Union’s climate and energy policy goals, aimed at preserving and improving the environment; believes that any future framework should respect the independence of the Member States and not seek to limit this power via regulations, which could prevent the increased use of indigenous energy resources;

89. Notes that access to capital and the cost of capital, especially for SMEs and even heavy industry sectors, are often a barrier to investment in capital-intensive cleaner technologies and energy efficiency; asks the Commission, therefore, to study the possibility of creating a fund to promote the development of innovative sustainable technologies and support initiatives to improve the efficiency of energy-intensive industries, which could bring together existing and new funding streams and help in leveraging investment;

90. Asks the Commission to improve the promotion and efficiency of the existing financial tools for investments in sustainable technologies (e.g. NER300) by compiling all the necessary information on financial possibilities for the national, regional and local levels in a single, clear and easily available database;

91. Calls for the EU to take a pragmatic approach to new market models, regulation and financing models for sustainable energy solutions;

The EU at international level

92. Stresses that only joint global efforts, with third countries making binding commitments to reduce CO2 emissions, can successfully combat climate change, while on the other hand an ongoing commitment on the part of the EU alone would endanger Europe’s industrial base; stresses, in this regard, that in order to legislate on the appropriate level of ambition for the EU’s 2030 climate and energy framework, provisions should be included in the framework to allow the results of the 2015 COP negotiations in Paris to be taken into account;
93. Notes that several emerging and developed countries are developing various climate policies and investments, including the implementation of their own emissions trading schemes, which follow the example of the EU ETS; welcomes the future prospect of linking the EU ETS with other carbon trading mechanisms worldwide, with the aim of creating a global carbon market; stresses that such a global approach could result in a level playing field for European industry by providing a comprehensive, cost-effective approach to tackling global industrial greenhouse gas emissions;

94. Calls for better coordination between the Council, the Commission and the European External Action Service so that the EU can speak with one voice in international organisations and play a more active role, and have greater influence, in promoting sustainable policies;

95. Instructs its President to forward this resolution to the Council and the Commission.