



Ukraine-Russia gas dispute - call for stronger EU energy policy

Russian energy policy fell under the spotlight January 11 when MEPs held an un-scheduled meeting to discuss the fallout of the gas dispute between Russia and Ukraine. The meeting was given extra urgency as the day before the government in Kiev had lost a no-confidence vote over their handling of the crisis. With about a quarter of the EU's gas needs coming from Russia, the need to diversify European sources and develop a common EU energy policy was a key theme of the debate.

An "unprecedented" dispute

Parliament's delegation for relations with the Ukrainian parliament decided in the first days of the new year to have a special meeting when tensions between Russia and Ukraine over the price of gas rose to fever pitch and for a moment it seemed that EU countries might suffer a cut in gas supplies as well. Although a short-term agreement has been reached by Russia and Ukraine in the meantime, there was still ample food for discussion.

At the start of Wednesday's meeting, the EP delegation's chairman, Polish socialist MEP Marek Siwiec, raised the predicament in which Europe found itself: "As a result of the Russian-Ukrainian gas dispute, for the first time in history, gas supplies to many EU countries have been interrupted... The scale of the recent developments is truly unprecedented. This should be a wake-up call for all EU Member States." He went on to call for "an efficient mechanism providing energy security for the whole continent."

Diversification the key

The need for a diversification of energy resources was echoed by Thijs Berman, a Dutch social-democrat MEP and Polish Christian Democrat Jerzy Buzek. The latter said that the crisis showed "that we need greater EU cooperation and coordination on energy policy." Buzek advocated a "common energy policy" similar to Europe's existing common agricultural policy. Berman pointed out that Ukraine's energy efficiency could be improved to the point that its energy needs might be halved and called for EU support for innovation.

As far as gas is concerned, "there is a mutual dependence between Russia as key supplier, Ukraine as key transit country and EU as key consumer," said Hilde Hardeman for the European Commission. Camiel Eurlings, a Dutch Christian-democrat and chairman of Parliament's delegation for relations with the Russian parliament pointed out that Russia wants to strengthen its cooperation agreement with the EU and wants European help to join the World Trade Organisation. Eurlings did not contest Russia's right to work towards market prices for gas deliveries, but felt that the way Russia handled this was unacceptable and showed a desire to wield power over its neighbour.

Eurlings called for a strategic discussion on energy, including a role for modern nuclear technology. Conservative UK MEP Charles Tannock went even further and said that "particular consideration must now be given to building new nuclear power stations as well as developing renewable energy sources in order to lessen our dependence on importation from any one geographical area".

"A friend in need is a friend indeed"

According to Roman Shpek, Ukraine's ambassador to the EU, Russia had attempted to create a "crisis situation" in the gas sphere and use it as a means of "political pressure" a few months ahead of parliamentary elections in Ukraine. He thanked the EU for proving true the saying that "a friend in need is a friend indeed". In response to MEPs' concern that the agreement reached only covered the next six months, he went on to reassure MEPs that the resignation of the Ukrainian Government yesterday will not affect Ukraine's effort to reach a final and longer lasting settlement of the gas problem with Russia. He added that Ukraine's foreign minister had already asked the European Commission for help in future negotiations with Russia.

Better cooperation ahead?

The development of EU cooperation with Ukraine and Russia in the domain of energy efficiency and diversification has already taken a step forward with a "memorandum of understanding" on energy between Ukraine and the European Union signed in Kiev in December last year.

The full Parliament is likely to debate the issue further during its plenary session in Strasbourg next week.