



**Euronest Parliamentary Assembly  
Assemblée parlementaire Euronest  
Parlamentarische Versammlung Euronest  
Парламентская Ассамблея Евронест**

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## **RESOLUTION**

**on challenges, potential and new engagement in cooperating on energy efficiency  
and renewable sources within the Eastern Partnership**

## **EURONEST PARLIAMENTARY ASSEMBLY - RESOLUTION**

### **on challenges, potential and new engagement in cooperating on energy efficiency and renewable sources within the Eastern Partnership**

*The EURONEST Parliamentary Assembly,*

- having regard to the Constituent Act of the EURONEST Parliamentary Assembly of 3 May 2011,
- having regard to the Joint Declaration of the Eastern Partnership Summit held in Vilnius on 28 and 29 November 2013,
- having regard to the conclusions of the European Council of 24 October 2014 on the 2030 climate and energy policy framework,
- having regard to the decisions of the United Nations Climate Change Conference held in Warsaw from 11 to 22 November 2013,
- having regard to the European Parliament resolution of 5 February 2014 on a 2030 framework for climate and energy policy<sup>1</sup>,
- having regard to the European Parliament resolution of 21 May 2013 on current challenges and opportunities for renewable energy in the European internal energy market<sup>2</sup>,
- having regard to the European Parliament resolution of 14 March 2013 on ‘The Energy roadmap 2050, a future with energy’<sup>3</sup>,
- having regard to the European Parliament resolution of 12 June 2012 entitled ‘Engaging in energy policy cooperation with partners beyond our borders: A strategic approach to secure, sustainable and competitive energy supply’<sup>4</sup>,
- having regard to the European Parliament resolution of 26 November 2014 on the UN climate change conference in Lima calling for a binding energy efficiency target of 40 % in line with overall cost-effective potential for energy efficiency improvement<sup>5</sup>,
- having regard to the Commission communication of 23 July 2014 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 of 22 January 2014 entitled ‘A policy framework for climate and energy in the period from 2020 to 2030’ (COM(2014)0015),

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<sup>1</sup> Texts adopted, P7\_TA(2014)0094.

<sup>2</sup> Texts adopted, P7\_TA(2013)0201.

<sup>3</sup> Texts adopted, P7\_TA(2013)0088.

<sup>4</sup> Texts adopted, P7\_TA(2012)0238.

<sup>5</sup> Texts adopted, P8\_TA(2014)0063.

- having regard to the Commission communication of 8 March 2011 entitled ‘Roadmap for moving to a competitive low-carbon economy in 2050’ (COM(2011)0112),
  - having regard to Directive 2012/27/EU on energy efficiency,
  - 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 National Strategy Papers for Energy of Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine for the periods up to 2020 and 2030,
  - having regard to the 2014-2017 core objectives and work programme of the Eastern Partnership: Platform 3 - Energy security,
  - having regard to the establishment of the Eastern Europe Energy Efficiency and Environment Partnership (E5P) in 2009,
  - having regard to the 2013 Annual Report on the activities of the Energy Community to the European Parliament and the national parliaments and to the Annual Report of 24 September 2014 on the Activities of the Energy Community in 2014,
- A. whereas global energy demand is continuously increasing, at a pace comparable to that of the population, human activity and technology development, and this results in intensifying global competition for fossil fuel resources, thus putting at risk the energy supply of the poorest economies;
  - B. whereas concerns have emerged over climate change, growing energy demand and uncertainties of oil and gas global markets, arousing reflection on the part of both producer and consumer countries with regard to devising mutually beneficial strategies for transforming energy sectors into low-emission sectors, finding new balances among various sources of energy, ensuring reliable and safe supply, and limiting energy consumption;
  - C. whereas energy consumption is expected to grow within the Eastern European region at a higher speed than the EU average, as part of a general trend accompanying the economic and social development of the region; whereas Eastern European partner countries are currently three times more energy-intensive than the average EU Member State and their untapped potential for energy efficiency remains huge;
  - D. whereas it is therefore in the economic, social and environmental interests of both the EU and the Eastern European partner countries to reduce carbon dioxide emissions originating in the use of fossil fuels, to develop alternative and cost-effective sources of energy, and to increase energy efficiency;
  - E. whereas the regional energy policy dialogue under the Eastern Partnership has intensified over the last years, covering convergence of energy markets, diversification of energy supply and transit, development of sustainable energy sources, and infrastructures of common and regional interest;
  - F. whereas the UN Climate Change Conference held in Warsaw in November 2013 marked an important step forward with a view to reaching a new universal climate agreement in 2015, to be based in particular on policies and measures for

reducing carbon dioxide emissions from energy systems;

- G. whereas energy-saving and energy efficiency measures, together with increased use of renewable sources, would also contribute to reducing multiple forms of energy dependency, including financial, technology or fuel dependency in the nuclear and fossil sectors, acquisition and ownership of strategic energy infrastructure, and investment in energy projects by non-reliable third parties in EU and Eastern European partner countries;
- H. whereas the increasing share of renewables can lead to substantial cost savings, as seen in the EU's external energy bill in recent years (an alleviation of EUR 30 billion in 2012);
- I. whereas the degraded state of the residential building sector, energy transmission and distribution infrastructures inherited from the past poses serious challenges for energy efficiency and energy-saving in many EU and Eastern European partner countries;
- J. whereas the EU has adopted a climate and energy policy framework for 2030, setting a set of objectives, namely to reduce greenhouse gas emissions by 40 % compared with 1990 levels, to increase the share of renewable energy consumed in the EU to 27 %, and to improve energy efficiency by at least 27 % compared to the projections for 2030;
- K. whereas full implementation of the current as well as of the second climate and energy package and the successive EU legislation in the field of energy efficiency is the responsibility of all EU Member States, and the same applies to the Eastern European partner countries in terms of transposed legislation; whereas the lack of correct and timely transposition can jeopardise the security of individual EU Member States or of the EU and its Eastern European partner countries as a whole;
- L. whereas in 2009 the EU adopted a renewable energy directive laying down mandatory national targets to be achieved through promoting the use of renewable energy; whereas in 2012 it further adopted an energy efficiency directive under which Member States must implement binding measures for energy saving, in particular obligations for the annual renovation of 3 % of government buildings and for energy companies to reduce energy consumption at customer level;
- M. whereas Eastern European partner countries have engaged in adopting and implementing policy and legal frameworks for renewables and energy efficiency, including through the contractual relations of some of them existing within the Energy Community Treaty; whereas, however, their efforts are hindered by insufficient monitoring and technical capacity and by the lack of investment and instruments for their implementation;
- N. whereas in 2013 Armenia, Georgia and Moldova joined the Eastern Europe Energy Efficiency and Environment Partnership (E5P), which was first established with Ukraine and which aims to promote energy efficiency and environmental investments in the countries of the Eastern Partnership;
- O. whereas, although the global economic crisis has had a negative impact on investment for energy savings and renewables, international financial institutions still play a significant role by leveraging national funds and loans for investing in the sustainable use of energy and the development of renewables;

- P. whereas EU and Eastern European partner countries need to take into account the overall competitiveness of their economies and energy sectors, when shaping adequate policies for imposing obligations on energy efficiency in industrial sectors, developing renewables and integrating them into national energy mixes;
- Q. whereas Ukraine and Moldova joined the Energy Community in 2011 and were therefore obliged to transpose, inter alia, the Energy Performance of Buildings Directive (by 30 September 2012), the Energy Labelling Directive (by the end of 2011), the Energy Services Directive (by the end of 2011), and the Renewable Energy Sources Directive (by the end of 2013); whereas Georgia is negotiating to become a fully-fledged member of the Energy Community in 2015;

### **Achieving progress and delivering results for renewable energy and energy efficiency**

1. Shares the view of the Eastern Partnership Vilnius Summit participants on the strategic importance and necessity of closer cooperation in the areas of the environment and climate change as priorities for action; welcomes the engagement of the Summit participants in developing a new universal climate agreement to be adopted at the UN Climate Change Conference to be held in 2015 in Paris; emphasises the common interest in strengthening bilateral and multilateral cooperation within the Eastern Partnership in the energy field, in order to achieve climate policy objectives;
2. Welcomes the progress resulting from the Vilnius Summit, and calls on the participants in the Summit to be held in May 2015 in Riga to take further steps forward in energy cooperation under the Eastern partnership; regrets that, in specific cases, bilateral energy trade has been used as an instrument of political pressure by the Russian Federation; stresses that further development of cooperation between the EU and its partners is needed to strengthen mutual energy security and to make them more independent and resilient to external pressure;
3. Underlines the importance of giving high political priority to achieving progress in the development of renewable energy and energy efficiency in order to move towards low-emissions energy systems, to mitigate the risks posed by climate change and to promote secure, sustainable and affordable energy for the benefit of our economies and citizens;
4. Stresses that existing ageing infrastructures, ‘missing links’ and a higher share of renewables in energy production and consumption all point to the need for large-scale investment in developing adequate infrastructure for transmission and storage of electricity; calls on the EU and the Eastern European partner countries to strengthen regional cooperation and encourage the modernisation of energy grids, through, in particular, the development and promotion of ‘smart grids’ and the construction of new interconnection and cross-border infrastructures; stresses that these investments are to be complemented with measures for behavioural changes, energy saving and strong consumer support, highlighting the benefits of switching from fossil fuels to renewables, particularly in the heating sector; also stresses the importance of developing internet backbone network in order to support smart grid operations, as well as of ensuring the cybersecurity of critical infrastructures;
5. Notes that certain renewable energy sources are intermittent and considers, in this regard, that the more ubiquitous electricity networks are, the more geographically distant energy sources can be exploited, and thus a balance can be achieved regarding

the production or unavailability of renewable energy facilities;

6. Emphasises the role of the energy efficiency of buildings and the importance of renovating energy-inefficient buildings in partnership with the EU in order to maximise their energy efficiency;
7. Considers that the development of renewable energy should go hand in hand with support for storage capacities and flexible back-up power capacity, and underlines the need for effective energy efficiency measures to ensure electricity supply in periods of demand peaks; encourages the EU and the Eastern European partner countries to support and facilitate the setting-up of new partnerships to ensure technology transfer in the areas of demand-side management, smart grids and storage technologies; calls for improved cooperation between the EU and its partner countries in a joint effort to counter attacks of whatever kind on critical infrastructures;
8. Highlights the problems affecting rural communities in the Eastern European partner countries related to gasification, since currently such communities still depend on natural resources derived from the forest, the result being massive deforestation and forest degradation on a scale accounting for around one fifth of all human-generated emissions;
9. Recommends that the EU and its Eastern European partner countries foster and test local and decentralised renewable energy production and distribution networks, which would create a more resilient, balanced and democratic energy system, improve energy security, provide business opportunities and cover the needs of local communities and markets;
10. Calls on the EU Member States and their partners to increase the capacity of the search for alternative energy cooperation with private investors in extracting organic-rich shale gas, which would create a strong advantage enabling energy import-dependent countries to better withstand external political pressure;
11. Stresses that the potential of energy savings concerns all sectors of the economy, including industry, agriculture, buildings (particularly with regard to residential buildings' high energy inefficiency levels), transport and services; believes that progress towards energy efficiency must rely on decisions concerning the effective implementation of intelligently-funded measures made by a complex chain of stakeholders, ranging from policymakers to energy producers and individual consumers;
12. Stresses that shifting to a more energy-efficient economy should also accelerate the spread of innovative technological solutions and improve the competitiveness of industry, while boosting economic growth and creating high-quality jobs in a number of sectors related to energy efficiency;
13. Stresses that energy efficiency policies should be based on detailed analyses of energy use, markets and technologies and the identification of sectors and opportunities where actions can potentially yield the biggest improvements; calls, in this regard, on the EU Member States and the Eastern European partner countries to shape energy efficiency policies, aiming as a matter of priority at removing barriers to efficiency investments, gradually setting and implementing performance standards in all energy-intensive sectors, including industry, raising taxes on the most inefficient products and equipment where less energy-hungry alternatives exist, and creating funding models that are

accessible for private households;

14. Underlines the importance of completing district heating projects throughout the Eastern European partner countries, ensuring that each renovation or construction project is developed with energy efficiency as a priority;

#### **Ensuring the right framework conditions for sustainable development of renewable energy and stimulation of energy efficiency**

15. Supports the objectives of increasing public awareness of renewable energy in the Eastern European partner countries, and recognises that currently the business community in those countries lacks knowledge regarding renewable energy production and means of participation in investment projects; highlights the role of international financial institutions in leveraging national funds and loans for investing in sustainable energy use and the development of renewables;
16. Supports the objectives of the work programme of the Eastern Partnership Platform on Energy Security for 2014-2017, and in particular that of enhanced cooperation in implementing legislation on energy efficiency and renewable energy and promoting investments;
17. Emphasises that regulatory frameworks for renewables and energy efficiency are of the utmost importance since investment decisions in these fields are largely affected by administrative authorisations; recommends that the governments of EU Member States and Eastern European partner countries ensure transparency, consistency and continuity in shaping legal, financial and regulatory frameworks, in order to strengthen investor confidence and share regulatory know-how and best practices; stresses that the Commission should be vigilant and ensure that energy investments and policy decisions in any of the EU Member States do not undermine energy security in other Member States or in Eastern European partner countries;
18. Invites the Commission to review the Energy Efficiency Directive in order to extend the energy efficiency obligation schemes beyond 2020 and propose the revised directive with targets for 2030 for final adoption by the Energy Community;
19. Supports the approximation by Eastern European partner countries to EU legislation and standards relevant to renewables and energy efficiency, especially in the framework of the Energy Community, and the implementation of related national strategies and action plans; emphasises, in this regard, the importance of legislation expanding access to domestic renewable energy markets to foreign investors and facilitating energy trade among national and local parties; stresses that domestic and foreign investors should enjoy equal treatment as regards access to renewable energy markets; expects legislative proposals for continuing the growth of domestic renewable sources of energy and production of energy from renewables beyond 2020; welcomes the fact that Eastern European partner countries which have adopted national energy efficiency programmes have set quantified targets, as regards, in particular, decrease of energy intensity, reduction of carbon dioxide emissions and heat losses in the housing sector; stresses that energy efficiency targets that have not been met should be revisited periodically and new strategies should be put in place in order to make sure that they are reached in both the EU and the partner countries;

20. Takes the view that more coherent support systems for renewable energy are needed in order to build up renewable capacity in an efficient manner, in particular for innovative technologies in the solar, wind and biomass sectors, but that they should not give rise to excessive subsidies and should be phased out once technologies are mature;
21. Highlights the role that the transport sector can play in emissions reduction via the integration of renewable energy goals in public transport work programmes;
22. Encourages the EU and the Eastern European partner countries to set up new financing models for enhancing renewables and energy saving which rely less on public and more on private funding;
23. Calls for of country-specific assessment studies to be carried out on energy consumption in order to put in place a strategy to optimise investments that would increase efficiency and reduce costs and dependence on imports in the long term; urges increased private and public investment in the renovation of energy-inefficient residential buildings in the EU and its partner countries;
24. Recalls its recommendation that the EU Member States and the Eastern European partners facilitate the establishment of preferential treatment for trade in energy generated from renewable sources, i.e. under the mechanisms and conditions provided for under Directive 2009/28/EC;
25. Welcomes the fact that, within the framework of the transposed Renewable Energy Sources (RES) directive, Ukraine almost doubled the share of RES in its final consumption, from 2.99 % in 2012 to 3.96 % in 2013;

**Encouraging common approaches to policymaking and strengthening multilateral cooperation in renewables and energy efficiency within the Eastern partnership**

26. Stresses that, while energy policy objectives have been set and coordinated at EU level, EU Member States have to choose appropriate strategies depending on the structure of their domestic energy markets; recommends that EU Member States and Eastern European partner countries engage in further exchanges and cooperation in research and policymaking with regard to renewables and energy efficiency, in parallel with tackling the problem of energy poverty, with a special emphasis on low-income and vulnerable households which cannot themselves afford to invest in energy efficiency and modernisation projects and would be the most affected by rising energy prices, providing information and tailored financing mechanisms to enable them to reduce energy use, diversify energy sources and build energy autonomy on a household level;
27. Highlights the interest of developing an open and integrated energy market between the EU and its Eastern European partners, which could boost renewable energy development by providing more opportunities for trade and investment; recommends that the EU and the Eastern European partner countries engage in developing regional trade in electricity from renewables in the framework of new agreements;
28. Welcomes the Commission's intention to draw up guidelines on trade in renewables at the European level, and recommends that full account be taken of the trade potential of the EU with Eastern European partner countries;
29. Welcomes the support that the INOGATE programme, including the Energy Saving Initiative in the Building Sector (ESIB) has provided to the Eastern European partner



countries; believes that the INOGATE programme should be implemented in the future, in a more tailor-made format for every partner country, on the basis of contractual agreements and commitments to make policy changes;

30. Praises the results of the ‘Covenant of Mayors’ EU initiative bringing together city councils in an effort to reduce carbon dioxide emissions through energy efficiency and renewable energy actions; calls on the EU to reinforce this initiative and recommend it to more municipalities, in particular in Eastern European partner countries; recommends that the initiative should include the deployment of further efforts to promote energy efficiency principles and change consumers’ mentalities, in particular, through awareness-raising campaigns;
31. Recognises the value of the Eastern Europe Energy Efficiency and Environment Partnership (E5P), as a multi-donor fund managed by the European Bank for Reconstruction and Development whose purpose is to facilitate investments in energy efficiency and reduction of carbon dioxide emissions in Eastern European partner countries; welcomes the decision made by Armenia, Georgia and Moldova to join the activities of the E5P Fund, as both contributors and recipients, in October 2013, noting that the E5P Fund has operated successfully in Ukraine since 2009; encourages Azerbaijan and Belarus to also become member countries of the E5P and to join its donor community, thus enabling the stepping-up of their efforts to improve energy efficiency;
32. Invites the EU to make better use of the Neighbourhood Investment Facility and to cofinance investments in energy efficiency measures and RES projects, building on, inter alia, the experience gained in the implementation of energy efficiency projects under the Western Balkan Investment Framework;
33. Underlines the need to develop education in the academic fields relevant to renewables and energy efficiency, as important vectors for innovation; recommends that the EU develop support programmes under the European Neighbourhood Instrument for 2014-2020, enabling universities and engineering schools in the EU and the Eastern European partner countries to develop closer cooperation and exchanges of Ph.D and degree students in the field of energy engineering and economy;
34. Welcomes the priorities of the EU’s Intelligent Energy Europe programme and of the Framework Programme for Research and Innovation (Horizon 2020); calls for the EU to open up its Intelligent Energy Europe programme to Eastern European partner countries and to take measures to facilitate their participation, with the aim of exchanging best practices, developing new technologies and fostering innovation in the field of renewable energy and efficiency;
35. Instructs its Co-Presidents to forward this resolution to the President of the European Parliament, the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the European External Action Service, the governments and parliaments of the EU Member States and the Eastern European partners.