

EUROPEAN PARLIAMENT

2004



2009

Session document

21.9.2005

B6-0509/2005

MOTION FOR A RESOLUTION

to wind up the debate on statements by the Council and Commission

pursuant to Rule 103(2) of the Rules of Procedure

by Hannes Swoboda, Robert Goebbels, Mechtild Rothe and Mia De Vits

on behalf of the PSE Group

on the oil price rises and dependence on oil

European Parliament resolution on the oil price rises and dependence on oil

The European Parliament,

- having regard to its previous resolutions and to the relevant Commission communications,
 - having regard to the Integrated Guidelines on Economic Growth and Jobs 2005-2008 (COM (2005) 141),
 - having regard to the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) of December 1997 and the Community's ratification of the Kyoto Protocol on 4 March 2002,
 - having regard to Rule 103(2) of its Rules of Procedure,
- A. whereas the world is currently experiencing a sharp rise in oil prices which is affecting Europe in economic and social terms and is likely to continue,
- B. whereas the EU's dependency on fossil fuel imports is expected to increase substantially; whereas a study by the International Energy Agency of the EU-25 shows that in 2002 76% of the EU's primary oil demand was imported and this share is projected to grow to 94% by 2030, and an increase in EU gas imports from 49% of consumption in 2002 to 81% in 2030 is also forecast,
- C. whereas total energy consumption in the EU currently stands at 1725 m tonnes of oil equivalent (Mtoe), i.e. 38% oil, 23% gas, 18% coal, 15% nuclear and 6% renewable energy sources, and total energy consumption could reach 1900 Mtoe within 15 years (by 2020),
- D. whereas the EU is dependent on Middle Eastern countries for 41% of oil imports, on Russia for 41% of gas imports and 18% of oil imports, and on Algeria for 29% of gas imports; and whereas about 95% of its uranium requirement has to be met from imports,
- E. whereas since 2000 the availability of petroleum worldwide has been constantly decreasing; whereas it is estimated that before the end of this decade the availability of petroleum worldwide will fall annually by 2-3%; considering that the increasing scarcity of petroleum resources is likely to result in a further increase in the price of crude oil, which will be reflected in the price of natural gas,
- F. whereas increasing the share of renewables in energy consumption and improving energy efficiency is an important way to reduce Europe's external energy dependency; notes that impressive cost reductions have been achieved in different renewable energy technologies, in some cases up to 50% in 15 years; notes that at least 25% of the overall energy consumption of the EU could be provided by renewable energies by 2020,

- G. whereas the economic potential for possible energy savings by 2010 is 17% of current energy end-use consumption for industry, 22% of energy end-use consumption for households and the services sector and 14% of energy consumption for transport; whereas therefore, total consumption in the EU could be reduced by around 20% without reducing comfort or standards of living,
- H. whereas oil consumption in the EU is increasing; whereas, in particular, the transport sector is responsible for 78% of the increase in end-use energy demand since 1985, and it is estimated that over the next ten years that sector will expand by 2% per year and will become even more energy-intensive,
- I. whereas the price of oil is affected by several factors, i.e.: the lack of investment in exploration and refining capacity; the considerable increase in demand for oil in recent years, mostly from China and India; political instability in the Middle East; weather incidents; and price speculation,
1. Considers Europe's dependence on oil and oil imports to be a matter of great concern; believes that in order to ensure energy supply, Europe should diversify energy sources and origins of supply and strengthen its strategy to promote decentralised renewable energy sources as a matter of urgency;
 2. Calls for a comprehensive and coherent global strategy to promote energy saving and efficiency and the use of alternative energy sources, in view of the very high oil consumption in the US as well as increasing oil consumption in, especially, large emerging economies such as China and India; calls on the EU rapidly to take the initiative to hold a world summit of the larger oil consumer and producer countries;
 3. Highlights the geostrategic aspects of our dependence on energy imports; acknowledges that these imports contribute substantially to our energy supply; warns of the risks related to this dependence; recalls that the European Neighbourhood Policy provides an opportunity for a comprehensive agreement with several countries concerned with this issue; calls on the Council and Commission to act on the basis of a coherent regional approach in the definition of the National Action Plans;
 4. Notes that the rise in oil prices may have a negative impact on growth and employment in Europe; deplores the absence of coordinated compensatory measures by Member States to respond to this external shock; therefore urges the Council and the Member States to act urgently to strengthen European economic governance and to use the instruments available for coordination, in particular regarding income support programmes and fiscal measures in the interests of strong and effective European action for sustainable growth and employment, including the better use of alternative energy sources as an employment generator;
 5. Reminds the ECB of its double mandate: to defend price stability and to support the European economy operating at full potential; therefore calls for a balanced European monetary policy taking account of short- and long-term effects and restoring domestic demand and household confidence by keeping the interest rate low and focusing on growth effects;

6. Notes that massive profits are currently being made in the energy sector thanks to oil prices, without the necessary investments being made to develop the refining sector in order to cope with the increasing demand;
7. Warns about transactions made by hedge funds, speculating on future higher prices and thus further increasing oil prices; as hedge funds are less regulated in the EU than in the US, asks the Commission to put forward, as a matter of urgency, proposals for a regulatory framework for hedge funds and far greater transparency in such transactions;
8. Considers that tax policy should be used more actively to address the massive profits made by the oil industry and to promote, through tax incentives, alternative sources of energy with regard to industry as well as citizens generally;
9. Calls on the Commission to present proposals on how to use corporate social responsibility policy at EU level to channel more private investment financed by the current windfall profits in the oil industry into energy-saving programmes and alternative energy technologies and related R&D; believes that this should be pursued either on the basis of a voluntary agreement with oil companies or, alternatively, through an EU-wide coordinated tax initiative;
10. Calls on the Commission to counter the risk of increased social exclusion resulting from higher oil prices; affirms the need to use the European Social Fund in addressing unemployment stemming from the rise in oil prices; calls on the governments to reduce the negative effects of rising oil prices on the most vulnerable social groups;
11. Recalls the importance of the existing legislation on reducing EU energy demand; notes that if the existing and upcoming legislation is fully implemented at least 23% of energy savings could be achieved by 2020; urges the Member States to meet their renewable energy targets, as set in the directive on the promotion of electricity produced from renewable energy sources;
12. Notes that the huge potential of renewable energy for heating and cooling has scarcely been exploited, and that geothermal and solar thermal energy, biofuels and biomass can replace large amounts of fossil fuels, particularly oil; calls on the Commission, therefore, to come forward with a directive on renewable energies in heating and cooling;
13. Is concerned about the under-use of environmental technology solutions that are already available; welcomes initiatives to reinforce instruments for financing energy efficiency and investments in material efficiency; calls for public investment support in general to be made conditional on selecting environment-friendly production methods, including greater use of environment-friendly coal-based energy;
14. Calls on the Commission to develop measures in the transport sector as a matter of urgency, not only with a view to guaranteeing security of supply for petroleum products but also on environmental grounds, including use of more fuel-efficient engines and conversion to alternative fuel and propulsion technologies; greater efforts should also be made in the promising area of developing hydrogen and fuel cells;

15. Notes that in order to decrease the oil dependency of the transport sector it is of vital importance to focus on a modal shift from road to rail, inland waterways and/or short sea shipping, thereby promoting and revitalising rail freight as well as rail passenger transport, while also promoting short sea shipping and inland navigation in the EU;
16. Calls on the Commission to take the lead to urge car manufacturers to develop cleaner and less oil-consuming vehicles as a priority in its initiative Cars 21, with the objective of developing a car consuming no more than 3 litres per 100 km at affordable prices for all users;
17. Urges the Commission and the Member States to provide increased financial means for the promotion of safe, environment-friendly, more efficient and cheaper public transport systems, and to promote car-sharing and cycling so that those modes become viable alternatives to individual car use, together with the expansion of public transport and the introduction of incentives for people to use it;
18. Calls on the Commission to submit a proposal on biofuel policy in the transport sector with the aim of increasing the share of biofuel to 15% by 2020;
19. Reaffirms the need to give priority to the security of long-term energy supply, with account being taken of the social and environmental aspects; given that oil requirements worldwide will increase by 2020 to 115 m barrels per day as compared with 77 m per day in 2000, i.e. by 50%, changes must be made in consumption patterns; to eliminate distortions of competition between energy sources, external costs should be internalised;
20. Instructs its President to forward this resolution to the Council, the Commission, the EIB, the EBRD, and the Governments and Parliaments of the Member States.