

WRITTEN QUESTION E-3109/08
by Jean-Pierre Audy (PPE-DE)
to the Commission

Subject: Increase in world per-barrel crude oil prices - proposal to introduce a European price regulation mechanism

In September 2005 I asked the European Commission whether it might be feasible, particularly by using financial techniques involving the purchase/sale of options on the world crude oil market, to consider the introduction of a Community mechanism to guarantee per-barrel crude oil prices for Member States, businesses and European citizens in general on an annual basis (in line with the normal budget period), at least within the euro zone (Written question E-3235/05).

In this way, and without trying to ignore the realities behind the price rise, the European Union could ensure price stability on an annual basis, thus making it possible for public-sector budgets (particularly Member States' national budgets – as regards oil-product-related tax revenue – and local authority budgets), businesses in their oil-price-related contractual relations and, in general, private individuals in connection with their household budgets, to plan more effectively for the major changes in the energy market that lie ahead, without having to face on a daily basis the pressures caused by sharp fluctuations in crude oil prices resulting from movements in world prices, speculation and the euro-dollar exchange rate.

The general consensus now is that this increase is irreversible, but in addition to the increase itself, what is creating difficulties is the dramatic impact that the sharp fluctuations in the per-barrel crude oil price are having on the economies and budgets of States, businesses and private individuals alike.

At the time, Commissioner Piebalgs thought that the idea of an annual Community price regulation mechanism was an interesting one, but did not consider that the Commission was competent to regulate crude-oil prices, in particular because the oil market is a world market.

I must insist on this point, however, and I am therefore asking the Commission whether such a Community mechanism – the operation of which would require practically no funding – would not at least be worth considering, not to try and fight the laws of the market, which are forced upon us, but rather to control the way in which those laws take effect so as to soften the impact of crude oil price rises on cost-prices in the sectors concerned – the fishing industry being a very important example.