

**Question for written answer E-001776/2021  
to the Commission**

Rule 138

**Saskia Bricmont** (Verts/ALE)

Subject: Energy Charter Treaty and EU State aid

Under the Energy Charter Treaty (ECT), private companies can sue the Contracting Parties if the measures taken pursuant to the Paris Agreement or the European Green Deal threaten their profit expectations. They can be awarded compensation that may distort fair competition with companies contributing to the climate neutrality goal.

In December 2020, the European Council stated that ‘the EU will ensure that its trade policy and its trade agreements are consistent with its climate ambition’<sup>1</sup>. The ECT must therefore be reformed accordingly. Otherwise, the updated treaty will not respect the will of EU leaders. It might also clash with the revision of the Energy and Environmental State aid guidelines, which aim to promote ‘a modern decarbonised and circular economy, while ensuring limited distortions of competition and adequate safeguards to the integrity of the single market’<sup>2</sup>.

1. How does the Commission intend to make sure that the ECT, an international treaty prevailing over EU laws, does not limit the ambition of the revision of the guidelines?
2. How will it address ECT-related compensation in this framework?
3. Would it launch investigations into Member States paying out compensation to companies through investor-state dispute settlements for stranded assets such as coal-fired power stations?

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<sup>1</sup> European Council conclusions of 10-11 December 2020.

<sup>2</sup> [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_20\\_2008](https://ec.europa.eu/commission/presscorner/detail/en/IP_20_2008)