OPINION

of the Committee on International Trade

for the Committee on Industry, Research and Energy

on Towards a European Energy Union
(2015/2113(INI))

Rapporteur: Klaus Buchner
SUGGESTIONS

The Committee on International Trade calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Strongly believes that a long-term resilient Energy Union should be based on interconnection, with a particular focus on energy islands and vulnerable regions within the EU, increased energy efficiency, energy conservation, making full use of safe and environmentally sustainable indigenous energy resources, cost effectiveness, the eradication of energy poverty, improved self-sufficiency and cooperation and reliable impact assessments on future energy infrastructure; supports the goal of the Energy Union to move away from an economy driven by fossil fuels, in which energy is based on a centralised, supply-side approach relying on old technologies; is convinced that trade can contribute to achieving this goal;

2. Stresses that the EU should give priority to helping the most vulnerable countries diversify their sources and supply routes, including reverse flows, with an emphasis on renewable energies and related storage facilities, in order to increase energy efficiency worldwide, and should help eradicate energy poverty, contribute to global sustainable development and support the global effort to tackle climate change;

3. Points out that the EU imports 53% of its energy at an annual cost of around EUR 400 billion, which makes it the largest energy importer in the world; recalls that 61% of the imported gas is used in buildings mainly for heating and cooling and that energy demand in the building sector is responsible for about 40% of energy consumption in the EU and a third of natural gas use; stresses therefore that gains in energy efficiency would have a significant impact on reducing EU energy imports from third countries and on the trade deficits of Member States, thereby reinforcing the EU’s negotiating position in external energy-related matters; is convinced that a binding energy-efficiency target would be a cost-efficient way to achieve the goal of energy self-sufficiency; points out that unemployment could be reduced by an ambitious programme for increasing the energy efficiency of housing throughout the EU;

4. Supports the goal of the Energy Union to move away from an economy driven by fossil fuels, in which energy is based on a centralised, supply-side approach that relies on old technologies and outdated business models; is convinced that trade can contribute to achieving this goal;

5. Emphasises that all trade agreements should include energy chapters aimed at building energy partnerships of mutual benefit and improving access to energy resources and foreign markets both with established long-term partners and new prospective partner countries in areas, including but not limited to Central Asia, North Africa, the Mediterranean, and the Americas and should make the EU’s energy suppliers more secure, while enabling the diversification of energy sources, the establishment of quality standards for energy products and the development of common standards for sustainable energy production; still considers it of key importance to reduce dependency on imported energy, in particular by increasing the promotion of renewable energy and energy efficiency; calls for coherence between the EU’s trade policy and the principles of EU
energy policy in this regard and underlines the fact that energy chapters in trade agreements should support the EU’s overall climate and sustainable energy objectives as well as the overarching goal of decarbonising the economy in line with the European Council conclusions on the Energy Union of March 2015;

6. Points out that EU trade policy should aim to increase energy security in line with Article 194 TFEU and diversify the European energy mix and reduce import dependency from a single external supplier or single point of supply while respecting the relevant division of competences established in the Treaty; stresses that reduced dependence on one supplier should not lead to increased dependence on another; believes that all EU infrastructure projects and trade agreements aimed at diversifying energy sources, suppliers and routes must be fully in line with EU long-term decarbonisation commitments and with EU environmental legislation and other relevant legislation;

7. Believes that rationalising energy demand, promoting safe and environmentally sustainable indigenous energy resources, increasing energy efficiency and energy interconnections through ambitious binding targets, and educating citizens about responsible energy consumption are among the most effective tools for reducing external energy dependency on volatile international energy suppliers and achieving EU climate objectives; believes that energy dependency can be reduced in the short term by rationalising energy demand, developing renewables and their storage, storage of gas, developing reverse gas flow infrastructure, supporting new projects that enable maximum use of existing infrastructure and preparing regional plans for security of supply;

8. Stresses the need to remove bottlenecks and develop interconnections that allow cross-border trade and create competitive and well-integrated regional energy markets;

9. Points out that the European energy import strategy must take into account the real costs and benefits of energy sources by actively involving the local population in the decision-making processes and assessing all direct and indirect factors and not only those that are related to their direct use; recalls the environmental, climate and health risks and impacts relating to the extraction of unconventional fossil fuels;

10. Highlights the important contributions trade can make to the promotion and development of future-oriented energy technology, particularly in the area of energy storage and transport, e.g. the promotion of green goods and the development of international standards for energy efficiency; calls on the Commission and the Member States to treat energy efficiency as an energy source in its own right; stresses that the existing technologies converting solar- and wind-generated power into gas can safeguard against volatile global energy prices in light of the vast storage facilities, gas transport networks and modern gas power plants already in existence; stresses that EU trade policy should aim to eliminate tariff and unnecessary non-tariff barriers to trade in innovative energy technologies; points out that EU companies hold 40% of all renewable technology patents;

11. Welcomes the negotiations for a Green Goods Initiative between the EU and 13 other WTO Members covering products, services and technologies that contribute to green growth, environmental protection, climate action and sustainable development, calls for the completion of talks by the end of 2015 at the WTO Ministerial in Nairobi;

12. Calls on the Commission to ensure stricter monitoring of anti-competitive behaviour and
anti-dumping measures to protect European energy industries against unfair imports from third countries;

13. Emphasises the importance of provisions in trade agreements related to technological cooperation and services in the field of energy efficiency and decentralised production of renewable energies, including maintenance and software development; points out that decarbonisation is a common goal of the EU and many partner countries, regions and cities;

14. Calls on the Member States and the Commission, in line with its global climate change policy and the G20 commitment to phase out subsidies for fossil fuels, to immediately ban export credits for investments in fossil-fuel power plants;

15. Deplores the fact that discussions on the modernisation of trade defence instruments are stalling in the Council despite the fact that Parliament has expressed strong support for tougher measures against unfair imports from third countries;

16. Calls on the Commission to encourage developing countries through international trade instruments to diversify their energy production, and to promote the production of solar energy in particular in the EU’s southern neighbourhood;

17. Calls on the Council to move forward with the modernisation of trade defence instruments in order to ensure that European manufacturing industries that produce turbines, solar panels, high-quality steel and construction materials in particular, can take full advantage of the energy transition;

18. Stresses that the Environmental Goods Agreement negotiations must be based on a definition of environmental goods that is consistent with EU policies and should not contradict measures for helping developing countries adopted in the framework of the United Nations Framework Convention on Climate Change (UNFCCC);

19. Calls on the Member States to increase, where appropriate, their cooperation on the information exchange mechanism for intergovernmental agreements with third countries in the field of energy; calls on the Commission, furthermore, to explore the options available for voluntary joint negotiations of energy contracts with external suppliers on behalf of the EU; reiterates, however, that assistance should only be given when specifically requested by one or more Member States, whilst taking into account the decision-making freedom enjoyed by entrepreneurs;

20. Emphasises that energy agreements should always be built on the reciprocity principle, safeguard quality standards and compliance with legal framework conditions and the EU’s legislation; calls on the Commission to develop standards for energy agreements with non-EU countries which promote the interests of the EU; calls, in the interest of promoting democracy and transparency, on the Commission to inform Parliament on a regular basis about energy agreements between the EU and non-EU countries;

21. Calls on the Commission to promote initiatives for cooperation in the energy sector among the Mediterranean countries, thus contributing to the peace and prosperity of their people and emphasises the role EU trade policy can play in improving connections between the two sides of the Mediterranean; shares the view of the Commission that it is
important to build a Mediterranean gas hub and is of the opinion that support via EU financial instruments should be considered; points out that, at the same time, Mediterranean Member States should be actively supported in developing their solar energy capacities and in feeding the potential surplus into supply networks for less advantaged Member States;

22. Points out that launching negotiations on energy agreements with third countries would give the EU a stronger voice on the international stage, and would create the necessary framework for projects that can enhance Europe’s energy security, in particular large-scale investments in transnational infrastructure projects.
RESULT OF FINAL VOTE IN COMMITTEE

<table>
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<tr>
<th>Date adopted</th>
<th>22.9.2015</th>
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| Result of final vote | +: 31  
                             --: 7  
                             0: 1 |
| Members present for the final vote | William (The Earl of) Dartmouth, Maria Arena, Tiziana Beghin, David  
                                         Campbell Bannerman, Salvatore Cucu, Marielle de Sarnez, Santiago  
                                         Fisas Ayxelà, Eleonora Forenza, Karoline Graswander-Hainz, Ska  
                                         Keller, Jude Kirton-Darling, Gabrielius Landsbergs, Bernd Lange,  
                                         Emmanuel Maurel, Anne-Marie Mineur, Sorin Moïsă, Franck Proust,  
                                         Godelieve Quisthoudt-Rowohl, Viviane Reding, Inmaculada  
                                         Rodríguez-Piñero Fernández, Tokia Saïfi, Matteo Salvini, Marietje  
                                         Schaalke, Helmut Scholz, Joachim Schuster, Joachim Starbatty, Adam  
                                         Szajnfeld, Iuliu Winkler, Jan Zahradil |
| Substitutes present for the final vote | Klaus Buchner, Dita Charanzová, Edouard Ferrand, Agnes Jongerius,  
                                             Sander Loones, Gabriel Mato, Fernando Ruas, Jarosław Wałęsa |
| Substitutes under Rule 200(2) present for the final vote | Marco Affronte, Andrejs Mamikins |