

WRITTEN QUESTION P-1450/04
by Olle Schmidt (ELDR)
to the Commission

Subject: Directive on the electricity market and the internal market

In 2003, Sweden imported almost 10% net of the country's electricity requirements. If Sweden continues prematurely to phase out nuclear power, the balance of trade in electricity will be further weakened. The EU as a whole needs more electricity and it is, therefore, unwise to be phasing out smoothly operating nuclear power plants before their time. Instead, the nuclear industry needs stable rules and long-term sustainable conditions to facilitate the extensive investment required to achieve secure energy supplies. The special production levy on Swedish nuclear power is also an example of a long-term unsustainable tax.

Finland phased out its production levy on Finnish nuclear power in the late 1990s, which was an active encouragement to the present investment in a fifth nuclear reactor in the country amounting to some SEK 30 billion. Finland is phasing out the nuclear levy and developing nuclear power while Sweden is doing the exact opposite.

In its answer of 23 March 2004 to my question (E-0301/04¹) concerning Swedish nuclear power and the internal market, the Commission states that 'the mentioned tax/levy has not hindered the development of an open efficient and competitive market among Sweden, Norway, Finland and Denmark.' It is a well-known fact that the Nordic electricity market has developed well compared with the rest of the EU but the Commission should not be content with that. The taxation of the production of one type of power in a single Member State should invite greater vigilance on the part of the Commission rather than a casual dismissal.

In the light of the foregoing will the Commission say how it intends to ensure equal conditions in terms of taxation and environmental standards for power production in the Union and full compliance by the deregulated electricity market with the directive concerning the electricity market and internal market rules?

¹ OJ C