# Towards a new Energy Strategy for Europe 2011 - 2020

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The Committee on Industry, Research and Energy adopted an own-initiative report by Lena KOLARSKA-BOBINSKA (EPP, PL) on the subject “Towards a new Energy Strategy for Europe 2011-2020”.

Members consider that any future strategy should seek to fulfil the Lisbon Treaty's core objectives of a single energy market, security of supply, energy efficiency and savings and the development of new and renewable forms of energy and the promotion of energy networks.

They consider it should also contribute to:

- affordable energy prices for the benefit of all consumers,
- the enhancement of renewables in the framework of sustainable energy production, and the development of interconnected, integrated interoperable and smart energy networks, and
- lead to a reduced reliance on energy imports and an increase in indigenous energy production, while maintaining competitiveness and industry growth and the reduction of greenhouse gas emissions.

The report stresses the Union needs a **long-term vision** for an efficient and sustainable energy policy to 2050, guided by its long-term emissions reduction goals. It calls for **plans to be drawn up for a European Energy Community** involving strong cooperation on energy networks and European funding of new energy technologies.

**Ensure the functioning of the energy market:** the report stresses the need to **fully implement current EU energy legislation** and calls on the Commission to ensure that current internal market directives are fully and properly implemented and transposed by Member States. It also emphasises the need to ensure security of supply for Europe’s power generation stock by, in particular, developing an industrial policy which promotes long-term investment in the means of electricity production in the EU.

Members believe that the role of energy market regulators and cooperation between national regulators, competition authorities and the Commission should be strengthened. They stress the need to increase the transparency and improve the functioning of wholesale energy markets for the benefit of consumers.

The Commission is asked to organise an annual summit on energy issues, and there is support for the idea of a special meeting of the European Council focusing on relevant energy policy issues.

**Support modern integrated grids:** the report emphasises that any delay in the development of a modern and smart EU-wide electricity and gas grid jeopardises the EU’s ambition to achieve by 2020 its 20-20-20 energy and climate objectives and to meet the EU 2050 objectives. It stresses that only a **pan-European energy network**, which takes no account of Member State borders, will make the completion of the internal energy market possible.

The committee believes that the forthcoming Commission “Blueprint for a North Sea offshore grid”, together with other regional initiatives such as the “Mediterranean Ring” and the “Baltic Interconnection Project”, should become one of the building blocks for developing a European Supergrid and calls on the Member States and the Commission to set aside the resources required for its development.

Members believe that the current programme for the Trans-European Energy Networks (TEN-E) was inefficient, did not contribute significantly to the construction of interconnection between Member States and needs to be adjusted.

**Financing of energy policy:** Members consider that the new multiannual financial framework should reflect the EU's political priorities as outlined in the 2020 Strategy, which implies that **a significantly higher proportion of the budget should be allocated to energy policy**, including modern and smart energy infrastructure, energy efficiency, renewable-energy projects and research, development and deployment of new energy technologies.

The Commission is invited to supplement or replace traditional grants by **innovative financial instruments** (for instance, risk-sharing facilities and loan schemes by public banks) and to encourage Member States to use such innovative financial instruments to support investments.

**Better exploit the EU's energy efficiency and renewable energy potential:** Members take the view that energy efficiency and energy savings should be key priorities of any future strategy. They call on the Commission and the Member States to **put energy efficiency at the top of the EU agenda**, and for the implementation of existing legislation to be stepped up and for the timely adoption by the Commission of an ambitious **Energy EfficiencyAction Plan (EEAP)**.

The committee calls on the Commission to present **an evaluation of the implementation of the existing legislation**. Members consider that, if the evaluation reveals unsatisfactory implementation of the overall energy efficiency strategy and the EU is therefore projected not to reach its 2020 energy efficiency target, the EEAP should include a commitment by the Commission to propose further EU measures for Member States, such as individual energy efficiency targets which correspond to at least 20% energy savings at EU level in line with the EU2020 headline targets and which take into account relative starting positions and national circumstances.

The report calls for the setting in place in the longer term of a **system of EU-wide incentives for renewable sources**. It invites the Commission and the Member States to incorporate financial and fiscal instruments for energy efficiency (notably as regards improvements to buildings) in their national energy efficiency action plans.

**Ensure security of energy supply:** Members consider that the EU must ensure that its energy policy has a **strong and coherent international dimension** and must integrate energy considerations into its external policies and actions. The High Representative of the Union for Foreign Affairs and Security Policy should give strong diplomatic support to the EU's energy policy, with the aim of enhancing energy security.

The Commission and Council are invited to **work closely with NATO** to ensure a consistency between the Union's and NATO's strategies on energy security.

The committee calls for the **further extension of membership of the Energy Community Treaty (ECT) to more of the EU's neighbouring countries**, notably countries in the Eastern Partnership.

The Commission is invited to:

- step up, through trade agreements, the process of adopting EU-compatible safety and energy-efficiency rules for the generation, transmission, transit, storage and processing/refining of energy imports and exports,
- propose at WTO level global standards to boost open and fair trade in safe and renewable energy sources and new innovative energy technologies,

- work towards a negotiated settlement leading to the full acceptance of the principles of the energy charter and its protocols by Russia,
- proceed further, along with the Member States concerned, with the implementation of the EU Southern Gas Corridor, especially the Nabucco project,
- promote, with the Member States concerned, DESERTEC and TRANSGREEN in the context of the Mediterranean Solar Plan initiatives by supporting solar power plants and other sustainable renewable energy technologies in the North African region and its connection to the European grid.

With regard to those Member States which have chosen **nuclear energy** as a part of their energy mix, Members believe that the establishment of EU minimum standards for licensing and design certification for new nuclear power plants would be useful with a view to ensuring the highest possible degree of safety of the technology.

The report also supports the **construction of LNG terminals and interconnections**, notably in countries most vulnerable to disruptions of gas supply, and stresses the importance of **further expansion of the European LNG fleet**, thereby enhancing the EU's energy security.

**Promote energy research and development and innovation:** the committee supports the development of cost-efficient new technologies for the forecasting of variations in energy production, demand-side management, electricity transmission and electricity storage (including the use of hydrogen and other fuel cells), which would make it possible to increase total base demand.

The report emphasises that Europe should be at the cutting edge in the development of energy-related Internet technologies and low-carbon ICT applications.

Members believe that research and development in the area of energy technology innovation, with a particular focus on new, clean, sustainable and efficient energy technologies, should be a **central priority of the new Eighth Framework Programme for Research and Development**.

Members call on the Commission to i**ntegrate sustainable transport** into the energy strategy in a manner that exploits the full potential of all the various technologies, including by means of an adequate regulatory framework and an action plan on green vehicles.

Members point out that research in the field of energy should also contribute to **improving the competitiveness of European industry**. In this regard, they believe that standardisation efforts involving the EU's strategic partners (such as China, Japan, India, Russia and the US) as regards new low-carbon energy technologies, including electric vehicles, are vital to ensure that European innovations are fully tradable on the international market.

**Putting consumers and citizens benefits at the centre of EU energy policy:** the report underlines the importance of **smart meters** as a means of helping consumers to monitor more effectively their consumption. It stresses that informing society about the benefits of smart metering is crucial to its success. It also points out that Parliament has called as a policy goal for 50% of homes in Europe to be fitted with smart meters by 2015 and an obligation on the part of the Member States to guarantee that at least 80% of consumers are equipped with intelligent metering systems by 2020.