

Towards a European energy union

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The Committee on Industry, Research and Energy adopted the own-initiative report by Marek Józef GRÓBARCZYK (ECR, PL) in response to the presentation by the Commission of a Framework Strategy for a European Energy Union.

The Committee on the Environment, Public Health and Food Safety, exercising its prerogatives as an associated committee under [Article 54 of the Parliament's internal Rules of Procedure](#), was also consulted for an opinion on the report.

Dimensions of the Energy Union: Members took note of the five pillars of the Energy Union outlined by the Commission and stressed that the Energy Union should adopt a **comprehensive approach** focusing on dimensions such as:

- achievement of a fully integrated internal energy market,
- security of supply,
- best use of EU's energy resources,
- moderation of energy demand,
- greenhouse gas reduction based essentially on renewable energy sources and an EU-wide carbon market,
- research and innovation aiming for energy technology leadership;
- the possibility for citizens to be provided with secure, sustainable and affordable energy.

Member States should develop long-term energy strategies in the light of the **long-term target of achieving an 80-95% reduction of greenhouse gases by 2050**.

Moreover, the committee invited the Commission and the Member States to ensure that all legislative proposals forming part of the Energy Union follow the **ordinary legislative procedure, thus fully involving Parliament**. The Commission is also asked to present on an annual basis a report on the implementation of the Energy Union and to develop and update a set of key indicators to be included in the report.

Energy security, solidarity and trust: the report called on the Commission and the Member States to actively pursue more sustainable and competitive prices and costs of imported energy for European citizens and businesses through the diversification of supply (energy sources, suppliers and routes). To this end, the Commission should promote the **construction of the relevant energy infrastructure priority corridors**, with a special focus on Member States with high dependency.

With a view to helping those most vulnerable countries to diversify their sources and supply routes, Member States and the Commission should implement without delay the recommendations of the gas system **stress tests**. Members recommended that the Commission should consider carrying out "electricity stress tests" in order to build an overview of the resilience of the entire energy market situation.

As regards the security of energy supply as well as its competitiveness, Member States should **upgrade their coordination and cooperation at EU level with their neighbours**.

Members considered that the Energy Union entails **negotiating with one voice with third countries**. They called on the Commission to:

- analyse the appropriateness and potential structure of a **voluntary collective purchasing mechanism** and its impact on the functioning of the internal gas market, the undertakings affected and its contribution to ensuring security of gas supply;
- set up a comprehensive framework for the external dimension of the Energy Union, with specific reference to the promotion of **strategic partnerships** with producing and transit third countries;
- create a **high-level reflection group on energy security**, foreign policy and the Energy Union, with strong representation and involvement from Parliament and of societal stakeholders.

Members also considered that diversity in the energy mixes of Member States is an asset to the EU as a whole, however **it must not represent a barrier to the single market**.

In addition, the committee expressed concern at the proposed doubling of capacity of the **Nordstream pipeline** and the effects this would have on energy security and diversification of supply and the principle of solidarity between Member States.

A fully integrated European energy market: Members believed that the future Energy Union must establish a **free flow of energy** across EU and Energy Community countries. The backbone of the future Energy Union must be a fully functioning, **interconnected internal energy market** that delivers safe, secure, fairly distributed, socially and environmentally responsible, efficient, competitive, affordable and sustainable energy.

The report called on the Commission and Member States to ensure the full implementation and enforcement of existing **EU state aid**, energy, environment and climate legislation.

According to Members, a properly designed future model of the electricity market in the EU is urgently needed and must aim at promoting the **necessary investment** to guarantee supply in the long term and at a more market-based and – from the point of view of network security – optimised integration of renewable energy sources.

Member States and the Commission are called upon to concentrate their efforts on driving PCIs and projects of the Energy Community interest (PECI) forward, with a view to achieving a pan-European electricity grid and gas network with the capacity to transmit power and gas across EU countries from multiple sources. They reiterated their commitment to achieve the 10 % interconnectivity target in order to complete the Internal Energy Market in EU, and welcomed the European Council's proposal for a minimum level of electricity interconnection between Member States of 15 % by 2030.

The Energy Union should also contribute towards an "**Energy Investment Union**", ensuring that the more than EUR 1 trillion of investment required in the coming years to revitalise Europe's economy comes from private and public investors.

Stressing the need to **strengthen regional cooperation**, Members invited the Commission to come forward with a macro-regional market cooperation governance structure in which the European Parliament and national parliaments also have a role to play.

Energy efficiency contributing to moderation of demand: gains in energy efficiency both reduce energy bills for households and industries and have the potential to create two million jobs as a result of energy efficiency measures by 2020, in particular in the building sector, which accounts for 40 % of total EU energy demand.

The Commission is called upon to identify and remove remaining barriers to energy efficiency measures, and to **develop a genuine market in energy efficiency**.

Towards a sustainable economy: Members underlined the **crucial role of renewables in the EU** in attaining energy security and political and economic independence by reducing the need for energy imports. They welcomed the commitment from the Commission to make the European Union "**the world number one in renewables**" and urged the Commission to present an operational and workable strategy to this effect.

While recognising that the energy mix is primarily a Member State competence, Members believed that public concerns must be properly addressed and that any **hydraulic fracturing** activities should comply with the highest climate, environmental and public health standards. They asked those Member States which intend to pursue hydraulic fracturing to respect the [2014 Commission recommendation](#) on minimum principles for the exploration and production of hydrocarbons (such as shale gas) using high-volume hydraulic fracturing.

Members also stated that **decarbonisation technologies such as CCS and Carbon Capture and Use (CCU)** will need to be further developed and improved through considerable research and innovation efforts.

As regards **nuclear energy** - which represents one of the most important contributions of the European energy system, providing for lower CO₂ emissions -, the report called on Member States that are phasing out nuclear power to make certain that it is replaced with a mode of energy production that can contribute commensurately to the energy supply and to stabilising the common system for production and distribution.

Delivering the Energy Union: citizens and cities: energy must be made **affordable** to all citizens of the EU. Members considered that avoiding unnecessary consumption by undertaking efficiency improvements, stronger interconnections, higher market integration and sustainable energy investment, particularly in buildings, would enable many households to access, on equal conditions, a single, sustainable, competitive and secure energy market and escape energy poverty, which in 2012 affected one in four EU citizens.

The Commission is invited to present a **communication on energy poverty in Europe**, accompanied by an action plan to fight against it, which contains a definition and indicators of energy poverty.

Transport: the report called for a move towards an energy-efficient and decarbonised transport sector. Transport represents over 30% of final energy consumption in Europe and that 94% of transport relies on oil products. Members considered, therefore, that a **cleaner energy system, with a clear link to the decarbonisation of the transport sector**, should be at the core of a framework strategy for a resilient energy union.

Research: Members called on the Commission to intensify its research efforts regarding the better use of Europe's energy resources and the lessening of their environmental impact: in this regard, Members recommended that all the EU's funding options for **boosting safe and sustainable low-carbon energy technologies**, energy efficiency, renewables, smart grids, decentralised production, flexible generation, electrical storage and electrification of the transport system must be fully exploited.