

# Energy: European Union's oil supply, situation and prospects, cost and prices

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The committee has adopted the report by Mr Rolf Linkohr (PSE, D) on the European Union's oil supply. The report emphasises that the EU institutions and Member States must coordinate their energy-supply strategies as closely as possible. Europe must establish a permanent dialogue with the major oil-producing countries and organisations, especially OPEC, the Russian Federation and the Caspian Sea States, and must speak with a single voice in its dealings with them. Given Europe's strategic interest in a stable energy supply, there is a need to develop long-term strategies for the Persian Gulf, Caspian Sea and Caucasus regions with a view to diversifying EU energy imports, limiting the market power of OPEC and contributing to the stabilisation and development of these regions. The committee also deems it necessary that a coordination mechanism be created to enable the Union to respond in a coordinated manner to a short-term increase in the price of oil. The report also emphasises the differences in taxation levels between the EU and the United States and Japan. Taxation of energy accounts for 2.1% of GDP in the EU, compared with only 0.9% in Japan and 0.5% in the United States. The rapporteur urges the Commission to make every effort to ensure that the burden of responsibility for achieving the emission targets defined in Kyoto is more evenly spread. The parliamentary committee also calls on the EU to step up its efforts to replace mineral oil as far as possible with other sources of energy. It notes that oil is a precious non-renewable resource that must not be used wastefully. It therefore approves the Commission's proposal to submit to the Council at its Gothenburg summit a plan for energy savings and diversification of energy sources, the aims of which will be to achieve more efficient use of energy, particularly in buildings, and to promote the development of a new generation of vehicles. The committee also welcomes all efforts to reduce energy consumption in the transport sector and recommends that research in this area should be given priority in the Sixth Framework Programme.