Macro-economic impact of the increase in the price of energy

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The committee adopted the own-initiative report drawn up by Manuel Antonio dos SANTOS (PES, PT) on the macro-economic impact of the increase in the price of energy. The report called for Europe to act now to prevent increasing energy prices damaging the European economy. It noted that the present increase in oil prices is of a similar scale to those of the 1970s and early 1980s, but differs from those shocks in that a substantial element is caused by growing demand from economies such as China, so part of the rise will be permanent. It stressed the tangible effect of oil price increases on the EU, which have reduced growth, investment and employment while increasing inflationary pressure and interest rates. MEPs in the committee said that, if no action is taken, Europe's dependency on energy imports may rise from 50% today to 70% in 2030. They noted in particular the social consequences of higher energy prices, which hit the poorest and most vulnerable especially hard.

The committee pointed out that the transport and housing sectors in particular are most affected, and called for a comprehensive EU strategy to phase out fossil fuels in the transport sector, while expanding the use of unconventional fuels. Ensuring fair energy prices in the domestic energy market would mean completing the single market in a sector often dominated by a few companies. Unbundling the infrastructure from suppliers was essential for the proper functioning of national markets and the internal market.

The committee called for a "massive investment in energy infrastructure and supply over the coming years" alongside an in-depth, Community-wide, debate on different energy sources. It called on the Commission and Council to draw up a detailed plan to reduce EU dependence on oil imports and for a shift toward clean energy. It also urged the adoption of energy efficiency improvements, which, it said, are the cheapest way to cut CO2 emissions and improve energy security. Fiscal policy should be used to encourage these moves, and public procurement selection criteria should include energy efficiency.

Lastly, the report called for an integrated EU emergency mechanism for security of supply to increase the minimum oil stock from 90 to 120 consumption days and develop a minimum gas stock of at least 90 days. It suggested following the US model of publishing weekly breakdowns of European oil and oil product stocks.