

Basic information	
2007/2000(INI) INI - Own-initiative procedure Towards a common European foreign policy on energy Subject 3.60.10 Security of energy supply 3.60.15 Cooperation and agreements for energy 6.10 Common foreign and security policy (CFSP)	Procedure completed

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	AFET Foreign Affairs		SARYUSZ-WOLSKI Jacek (PPE-DE)	28/11/2006
	Committee for opinion		Rapporteur for opinion	Appointed
	DEVE Development		WIJKMAN Anders (PPE-DE)	30/01/2007
	INTA International Trade		AUDY Jean-Pierre (PPE-DE)	18/12/2006
	ENVI Environment, Public Health and Food Safety		GUIDONI Umberto (GUE/NGL)	27/02/2007
	ITRE Industry, Research and Energy (Associated committee)		EK Lena (ALDE)	27/02/2007
Council of the European Union	Council configuration		Meetings	Date
	General Affairs		2776	2007-01-22
	Transport, Telecommunications and Energy		2782	2007-02-15
European Commission	Commission DG		Commissioner	
	Secretariat-General		BARROSO José Manuel	

Key events

Date	Event	Reference	Summary
12/10/2006	Non-legislative basic document published	COM(2006)0590 	Summary
18/01/2007	Committee referral announced in Parliament		
18/01/2007	Referral to associated committees announced in Parliament		
22/01/2007	Debate in Council		
15/02/2007	Debate in Council		Summary
15/02/2007	Resolution/conclusions adopted by Council		
03/09/2007	Vote in committee		Summary
11/09/2007	Committee report tabled for plenary	A6-0312/2007	
25/09/2007	Debate in Parliament		
26/09/2007	Decision by Parliament	T6-0413/2007	Summary
26/09/2007	Results of vote in Parliament		
26/09/2007	End of procedure in Parliament		

Technical information	
Procedure reference	2007/2000(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	AFET/6/44515

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee opinion	INTA	PE382.546	02/03/2007	
Committee opinion	DEVE	PE386.597	03/05/2007	
Committee opinion	ENVI	PE388.334	11/06/2007	
Amendments tabled in committee		PE390.604	25/06/2007	
Committee opinion	ITRE	PE388.391	03/07/2007	
Committee report tabled for plenary, single reading		A6-0312/2007	11/09/2007	
Text adopted by Parliament, single reading		T6-0413/2007	26/09/2007	Summary
European Commission				

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2006)0590 	12/10/2006	Summary

Towards a common European foreign policy on energy

2007/2000(INI) - 12/10/2006 - Non-legislative basic document

PURPOSE: to present a Commission communication on external energy relations.

CONTENT: Following the recommendations adopted by the European Council in June 2006, the Commission sets out the principles and actions which must guide the EU's external energy policies. It emphasises the importance of **coherence** between the internal and external aspects of energy policy, and between energy policy and other policies that affect it, such as external relations, trade, development, research and environment. A coherent approach is key to ensuring that external energy policy provides guarantees in terms of security of supply, while at the same time ensuring projection of the objective of sustainability at international level. To ensure coherence, urgent decisions are needed.

- Member States should promote the principles of the **internal energy market** in bilateral and multilateral fora, enhancing the Union's coherence and weight externally on energy issues. The pull of the EU internal market will also be strengthened if interconnection is improved.

- Major investments are needed to create the necessary **interconnections** inside and outside the Community, and the EU should help to create the environment for private capital flows and offer political and financial support to economically feasible projects, as appropriate.

- **Energy efficiency** should be pursued, and this is just one area where the EU's lead in cutting-edge environmental and energy technologies makes it an attractive international partner.

- The EU and its Member States should promote, both internally and externally, the acceleration to a **low carbon economy, including emissions trading**. Early action can support the development of renewable energies and clean hydrocarbons, including coal. Nuclear energy is seen by those who follow this path as an element in energy security and a low carbon economy.

- The Union should use all its weight in current and **future bilateral negotiations and agreements**, offering balanced, market-based solutions, first of all with its traditional suppliers, but also with other main producing and consuming countries.

EU-Russia energy cooperation: this is crucial in ensuring energy security on the European continent. Russia is already the origin of around 25% of oil and gas consumed in the EU, and this will increase. The forthcoming negotiations on a new comprehensive framework agreement within the post-Partnership and Cooperation Agreement (PCA) offer an opportunity to agree on the objectives and principles of energy cooperation. The EU and Russia should see mutual long term benefits from a new energy partnership, which would seek a balance between expectations and interests of both sides:

- Russia wants a stronger presence in the EU internal energy market, long term gas supply contracts, the integration of electricity grids and free trade for electricity and nuclear materials, as well as the acquisition and control of downstream EU energy assets (gas and electricity) and EU investments and technology for the development of the Russian energy resources.

- The EU wants non-discriminatory and fair treatment from Russia in their energy relationship, in terms of supply from Russia and in terms of access to the Russian market for EU investors; a level playing field in terms of market conditions, investment and acquisitions in the upstream and downstream

Russian energy infrastructure and resources; third party access to pipelines within Russia, including those for transit of energy products from the Caspian region and Central Asia; respect for competition rules as well as high levels of environmental security and safety.

Closer ties with Russia should seek to eliminate remaining barriers to trade and investment, promote regulatory convergence and facilitate the sharing of technology, thus widening and deepening our energy relationship. The Commission favours a level playing field, predictability and reciprocity in terms of:

- upstream and downstream, domestic and foreign investment;

- market opening, and fair and non-discriminatory access to transport networks, including for purposes of transit of energy products;

- convergence of energy policies, legislation and regulations regarding the functioning of markets, including trade rules, as well as safety and security issues;

- compliance with the high standards of EU regulations concerning the safety, security and environmental aspects;

- joint implementation of energy efficiency and savings, renewables and research measures.

The Commission feels that it is essential that Member States have a common understanding on the proposed approach on the principles for a future energy partnership with Russia, to be considered in the framework of the post-PCA agreement. The Union should use all opportunities to convince Russia of the mutual interest in such an exercise.

EU energy cooperation with other third countries: this remains a top priority, independent of EU-Russia negotiations. Diversity of type of energy, of country of origin, and of country of transit are essential to ensure the EU's access to clean and secure energy. The EU is surrounded by almost 80% of the world's hydrocarbon resources. There are important energy producers in the Mediterranean, Black Sea, Caspian, Middle East and the Gulf regions as well as in the North (Norway), with which the EU is building strengthened cooperation. The aim is to create a wide network of countries around the EU, acting on the basis of shared rules or principles derived from the internal market. The Commission outlines the tools that could be used to pursue this goal, such as the PCAs, the Association Agreements with Mediterranean countries, as well as the European Neighbourhood Policy Action Plans.

Turkey is becoming a crucial energy hub for supplies from the producer regions and is thus of strategic importance for the EU's energy security. The enlargement process with Turkey could contribute to promoting the early adoption of the EU's energy acquis by Turkey, while Turkey's early accession to the Energy Community Treaty and effective cooperation on the Nabucco project could also speed up this process.

The paper goes on to outline the EU's **financial cooperation instruments**, which should be mobilised in full to promote the restructuring and development of the partner countries' energy sectors, regional cooperation, infrastructure interconnections, new pipelines, energy efficiency and renewable energy sources for our mutual benefit. The Commission stresses that it is important rapidly to build up relations with strategically important neighbours of the Union. Member States need to support the ongoing bilateral and regional energy cooperation partnerships with the main EU energy partners, including the gradual extension of the principles of the internal energy market through the European Neighbourhood Policy and the efficient use of all financial instruments which the EU, the European Investment Bank, the European Bank for Reconstruction and Development and other international financial institutions can put at the disposal of the EU's energy security.

To ensure **efficient follow-up and coherence**, the Commission, the Council Presidency and the General Secretariat of the Council are preparing the establishment of a **network of energy correspondents** to assist the EU's early response and reactions in case of energy security threats. The objective of such a network would be to prepare the ground for actions and decisions in case of an energy security crisis by collecting, processing and distributing reliable information relevant to the security of energy supplies to the EU. The network should be composed of energy experts from Member States, the General Secretariat of the Council and the Commission. Member States should agree to the establishment and **implementation of the network of energy correspondents**.

Towards a common European foreign policy on energy

2007/2000(INI) - 26/09/2007 - Text adopted by Parliament, single reading

The European Parliament adopted an own-initiative report drawn up by Jacek **SARYUSZ-WOLSKI** (EPP-ED, PL) and called for the development of a common European foreign policy on energy which would significantly contribute to guaranteeing energy security for the whole of the EU, while at the same time pursuing the objective of sustainability at the international level, thus providing EU citizens with substantial added value to efforts made at national level. Energy policy must be an integrated and prominent part of the common foreign policy. Energy policy should be taken into account in all foreign policy contexts.

Whilst Member States should retain their sovereign right to make strategic choices concerning the energy mix, there was a need to elaborate concrete provisions, to be included in the Treaties, leading to the **creation of a common European foreign policy on energy**. This should cover security of supply, transit and investment related to energy security, and the promotion of energy efficiency and energy savings as well as clean and renewable energy sources, particularly in relations with countries whose energy consumption is growing rapidly. Parliament called for a suitable Treaty basis for energy and energy security. A comprehensive European foreign policy on energy must contribute to the implementation of the values and interests of the EU and the main aims of its foreign policy, namely the safeguarding of peace and the primacy of human rights, democracy and the rule of law. Parliament recognised that the EU's dependency on imported energy might have significant effects on the independence of its decision-making in other policy areas.

It supported a gradual approach in progressing towards a common European foreign policy on energy, and called for the setting up, by the end of 2007, of a **precise road map** leading to the formation of such policy, indicating short, medium and long-term objectives, targets and steps, with specific time-frame for implementing them. The Commission was asked to submit an annual progress report concerning the implementation of these objectives, in order to allow the European Parliament to be closely involved in the monitoring of the common European foreign policy on energy. It was also asked to prepare annual reports concerning observance of the rules governing the internal market in the energy sector, notably as regards transparency and compliance with EU competition law, by third-country companies, especially main suppliers, together with all of their subsidiaries.

Parliament went on to call for closer coordination between the Presidency, the Commission and the SG/HR so that they might speak and act jointly with one voice on issues concerning a common foreign policy on energy. Parliament considered it necessary to strengthen the role of the Commission and the Parliament in defining the common foreign policy on energy in the forthcoming revision of the Treaties. It proposed, after the new Reform Treaty enters into force, to appoint, with the approval of the Council and the Commission, a High Official for Foreign Energy Policy, who, wearing a "double hat", would act under the authority of the newly created strengthened High Representative of the Union for Foreign Affairs and Security Policy, a Vice-President of the Commission, thus being anchored both in the Council and in the Commission, and who should be responsible for coordinating all policies under the scope of the common European foreign policy on energy. This person would thereby contribute to the EU's ability to protect its energy security interests in negotiating with the EU's external partners.

Parliament stated its conviction that the Energy Charter Treaty (ECT) should be the cornerstone of the common European foreign policy on energy, and called on the Commission and the Council to demand the application of the ECT, and to include the substance of its Transit Protocol in all treaties and agreements with its energy partners. Member States and the Commission were encouraged to pursue efforts to promote within the EU neighbourhood, the extension of the principles and norms of the internal market. Parliament urged the Commission to consider extending the European Energy Community comprising the EU and South Eastern Europe, to other third countries, and creating new regional energy markets, such as a Euro-Mediterranean energy community, to ensure security of supply.

Underlying principles for action within a common European foreign policy on energy: it was essential to support the priority initiatives aimed at diversification of energy sources, both geographically and by developing sustainable alternatives. Parliament supported the prioritisation of all the energy diversification projects realised within the neighbourhood – especially those aimed at creating new transport corridors which diversify both suppliers and routes, such as the Caspian Sea-Black Sea - EU Energy corridor. It supported in particular the construction of the Nabucco pipeline, liquefied natural gas infrastructure (LNG), the interconnection of electricity grids and the completion of the Euro-Mediterranean electricity and gas infrastructure rings as well as the realisation of new oil infrastructure projects of European interest such as the Odessa-Gdańsk and Constanta-Trieste projects. These should be included in the list of high-priority projects of European interest. All instruments and Community policies such as trade, development, competition, research and environment through to financial grants and loans, including those of the EIB, EBR, should be used in a coherent manner to speed up the completion of these infrastructure projects. In the context of incentives for biofuel or biomass use in the EU, it was imperative for the EU to ascertain that such use does not threaten global food security or lead to increased pressure on natural forests, an expansion in monocultures or exotic species plantations, or the exacerbation of climate change through tropical deforestation.

Parliament went on to discuss the **principle of unity in defending the EU's interests**. In the short term, Parliament called on Member States to keep each other and the Commission informed of, and moreover to consult each other and the Commission on, strategic decisions concerning major bilateral agreements with third countries on energy projects which could affect the interests of other Member States and the EU as a whole. Where bilateral agreements have been reached that run contrary to the interests of other Member States and the EU as a whole, Member States and, where appropriate, the Commission should work together to reach agreement ensuring the neutralisation of any negative effects, in particular as regards environmental impact, in accordance with the principle of solidarity. In the medium term, the Commission should be vested with institutional competence to negotiate EU framework agreements with third countries concerning energy supply. The Council and Member States were asked to create a solidarity mechanism.

Parliament then called on the Commission to support the **"energy security clause"** to be included in trade, association, and partnership and cooperation agreements with producer and transit countries, which would lay down a code of conduct and explicitly outline measures to be taken in the event of disruption, or any unilateral change in the terms, of supply by one of the partners. It supported the creation of an efficient mechanism, to include NESCO, with which to react in the event of supply disruptions.

Parliament called for **strengthened cooperation with major producer, transit and consumer countries**, and, in particular, to step up relations in the energy sector with Algeria, Egypt and the other producer countries in the Mashreq/Maghreb region. It supported all steps aimed at promoting transparency, the rule of law and improved governance in the energy sector through energy partnerships with third countries. These must be based on the **principle of reciprocity** and fair and transparent competition, ensuring that the income from energy trading will not be misused and diverted to finance terrorism. Parliament underlined the importance of enhanced energy dialogue with the **United States** and other key energy partners that share EU values, and called on the Community institutions to aim at establishing an Energy Security Partnership with the United States.

Members stressed the importance of the EU's energy partnership with **Russia**, while pointing out that Russia continues to be almost entirely dependent on the EU market and its individual larger-scale European consumers in its energy exports. They urged the EU to emphasise the mutual interdependence aspects in the EU-Russia energy dialogue, and drew attention to the fact that the energy partnership between the EU and Russia could only be based on the principle of non-discrimination and fair treatment and on equal market access conditions. Parliament emphasised that Russia was already bound by the ECT pursuant to Article 45. It was convinced that, in addition to the need for Russia to ratify the ECT, the EU should negotiate a formal framework document on energy relations with Russia in the context of the future Partnership and Cooperation Agreement. Parliament regarded the mere transposition of the ECT principles into the future Partnership and Cooperation Agreement as redundant, while acknowledging the added value of provisions clarifying or supplementing the obligations contained in the ECT, in particular those contained in its Transit Protocol. It stressed that the ratification of the ECT would be a visible demonstration of Russia's commitment to a reliable energy supply and to energy cooperation based on common principles and values.

The Council and the Commission should use their leverage to persuade Russia to commit itself to open, fair and transparent markets for energy production and supply. Ratification by Russia of the ECT and its Transit Protocol would have a positive influence on the EU's support for Russian accession to the World Trade organization (WTO).

Lastly, Parliament called for a public debate to raise awareness of a common European foreign policy on energy among EU citizens and underline the positive aspects of such a policy, by means of a public information campaign.

Towards a common European foreign policy on energy

2007/2000(INI) - 15/02/2007

The Council adopted the following conclusions as its contribution to the next Spring European Council (8 and 9 March 2007), which is expected to adopt a prioritised Action Plan for an Energy Policy for Europe.

As regards international energy policy, the development of a common approach to external energy policy has to be speeded up, involving consumer-to-producer as well as consumer-to-consumer and consumer-to-transit countries, dialogues and partnerships including through organisations such as OPEC. To that effect, the Council emphasises the following as essential elements when further developing the "single voice" of the EU in support of the three energy policy objectives:

- negotiating and finalising a post-partnership and cooperation agreement with Russia in particular relating to energy issues¹;
- intensifying the EU relationship with Central Asia, the Caspian and the Black Sea regions, with a view to further diversifying sources and routes;
- strengthening partnership and cooperation building on the bilateral energy dialogues with the USA as well as with China, India and other emerging economies, focusing on the reduction of GHG, energy efficiency, renewables and low-emission energy technologies, notably CCS;

- ensuring the implementation of the Energy Community Treaty, with a view to its further development and possible extension to Norway, Turkey, Ukraine and Moldova;
- making full use of the instruments available under the European Neighbourhood Policy;
- enhancing energy relationships with Algeria, Egypt and other producing countries in the Mashrek/Maghreb region;
- building a special dialogue with African countries on energy and using Community instruments to enhance in particular decentralised renewable energies and generally energy accessibility and sustainability in this region, as well as energy infrastructure of common interest;
- promoting access to energy in the context of the UN-CSD.