



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from: General Secretariat of the Council
to: Delegations

Subject : Summary of the meeting of the **Committee on Industry, Research and Energy** of the European Parliament, held in Brussels on 24 June 2010
- Towards a new Energy Strategy for Europe 2011-2020 (item 6 on the agenda)

The meeting was chaired by Mr Ruel (EPP, DE), the chairman of the Committee.

6. TOWARDS A NEW ENERGY STRATEGY FOR EUROPE 2011-2020

- Exchange of views

Ms Kolarska-Bobińska (EPP, PL), the rapporteur, informed members that the report was only for the purposes of the Commission's ongoing consultation.

She focused on the key objectives in this area, such as security of supply, stable and balanced access to energy, affordable prices for both private and professional users, energy efficiency and savings and promotion of innovation to lower CO₂ emissions. She also gave a brief overview of the Commission's report, highlighting the implementation of current legislation (3rd energy package by 3/3/2011) and possible infringement procedures, infrastructure and intelligent energy networks. As to the networks, she was certain that financing was needed, but was not sure if the Commission's proposal to rely on market mechanisms would provide sufficient funding.

With regard to the external dimension of energy policy, she invited the AFET Committee to contribute to the discussions. She was interested in concrete instruments that would develop the trans-European network connectors, mentioning the option of special contracts. She also thought that the report should be clearer on the potential for energy efficiency and savings. As to the shortcomings of the proposal, she thought that unconventional energy sources should be developed more as they could help to lower dependency on third country imports. The report also lacked emphasis on solidarity and security of supply, in particular in light of the recent Russia/Belarus conflict.

In the following discussion, members raised various issues. The majority of them agreed on the focus on energy efficiency and security of supply. Mr Turmes (Greens, LU) considered that energy efficiency was the top priority, as well as the most effective solution to the future reinvestment cycle, with regard to the lifetime of power plants and infrastructures. Mr Gierek (S&D, PL) called for a revision of the climate-energy package, which should focus more on efficiency. He reasoned that it was not possible to harmonise sources at European level and to have an average solution for this problem. Mr Mészáros (EPP, SK) also acknowledged the crucial role of energy efficiency, which contributed to better production, efficient use and decreased loss of energy. Mr Szymański (ECR, PL) thought that energy efficiency should be combined with security of supply. He highlighted the specific situation of the Eastern European countries, which did not have the time or the resources to get rid of high emission energy sources quickly, thus creating imbalance and further energy dependency, in particular on gas. Mr Mészáros (EPP, SK) specified that each Member State was in a different position and their approaches towards renewables and networks were due to their different energy mix. He recalled their right to choose their energy sources, determining their own supply strategies. With regard to increasing dependency due to a growing population, he stressed the need to ensure the transport of energy and the diversification of sources. In order to tackle dependency and to exploit the EU's own resources, Mr Bendtsen (EPP, DK) said that there should be a focus on investments in infrastructure (supported by Ms Ulvskog (S&D, SE)), and on research and low carbon technologies (together with Mr Rübzig (EPP, AT)). Mr Turmes was not so concerned about security of supply, since he considered that the EU was now better prepared for disruptions and that Gazprom had a worse image on the international market.

As to competitiveness, Mr Gierek saw a clear link between this and energy policy and commented on the different levels of competitiveness of Member States as a result of their different energy mix. Mr Balčytis (S&D, LT) focused more on external competitiveness. Together with Mr Bendtsen and Mr De Angelis (S&D, IT), he was convinced that the EU needed an independent and properly functioning energy market to tackle import dependency, in particular in the light of the current Russia/Belarus crisis.

Together with Mr Turmes, Mr Balčytis highlighted the importance of competitive prices. On the same lines, Mr Turmes stressed the need to implement the 3rd energy package in order to prevent the creation of oligopolies (according to him, 95% of the EU market was owned by 12 companies). He underlined the importance of competition policy within the EU and criticised the approaches of some Member States, which protected their national producers.

Mr Balčytis also spoke in favour of renewables as a competitive energy source. In this context, Ms Ulvskog was concerned by the problem of distribution of energy. Mr Rübzig called for more research and investment in this field, in particular in the crucial area of energy storage.

Other issues raised were shale gas (Mr Turmes, Ms Hibner (EPP, PL)), the question of financing which combined EU, national and European Investment Bank resources (Mr Turmes), focus on funding and rationalisation of resources (Mr Cancian (EPP, IT)), the poor quality of current networks and lack of interconnections (Mr Gierek), nuclear power, in particular its supervision (Mr Mészáros) and the possibility of inclusion in the report of provisions on new openings (Mr Gierek), the Commission's report on the energy situation in 2030, in order to determine the transmission corridors for further development (Mr Turmes), the future role of regions in the single market (Mr Mészáros), focus on the short-term objectives to be financed and implemented and the clear distinction between the funds provided by Member States and those provided from common resources (Ms Hibner), innovation as a crucial factor in achieving the EU2020 Strategy objectives (Mr De Angelis), monitoring of national energy efficiency plans as part of the EU energy strategy (Mr De Angelis), joint technology initiatives in the CO₂ area (Mr Rübzig) and consumers and the risk of energy poverty (Ms Ulvskog).

The Commission representative informed members that the deadline for the consultation was 2 July 2010 and that the Commission planned to issue the document in November 2010.

Ms Kolarska-Bobińska expressed her support for the idea of establishing a common energy strategy. She acknowledged that the issue of financing would be difficult. Nevertheless, she was confident that the strategy would not be effective without appropriate financial instruments. The chair concluded that some technical problems might arise (e.g. in the area of energy grids) and suggested that experts be asked to clarify what was viable and what could be achieved.

Timetable :

Adoption by the Committee : *September 2010*

Vote on the Plenary : *October 2010*