## EUROPEAN PARLIAMENT

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Committee on International Trade

2006/2113(INI)

10.10.2006

## **OPINION**

of the Committee on International Trade

for the Committee on Industry, Research and Energy

on a European strategy for sustainable, competitive and secure energy - Green Paper (2006/2113(INI))

Draftsman: Helmuth Markov

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## SUGGESTIONS

The Committee on International Trade calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- Stresses the global dimension of the objectives of sustainable energy use, fair 1 competition, fair access to resources and security of supply and the resulting need for a multilateral approach to energy policy, within the framework of the United Nations and international organisations, particularly the IEA, the OECD, the WTO, the IMF and the World Bank; calls on the Commission, the Council and the Member States to support, within the internal and external action of the EU and, particularly, in those bodies, the idea of a global agenda and a joint strategy based on an in-depth assessment of the worldwide energy and climate situation and aimed at achieving energy savings and efficiency, use of decentralised, renewable energy sources, decoupling of energy demand from economic growth and promoting sustainable development throughout the world; calls on the Commission and the Member States in this connection to pay particular attention to the aspects of diversification, decentralisation and energy efficiency; strongly supports the aim of developing a comprehensive common European energy policy and stresses that it must have a coherent, strategic and focused external dimension, including trade policy;
- 2. Supports the progressive opening of the services markets in the energy sector, and in particular the fullest application of multinational trade rules and disciplines to the petroleum and natural gas sectors;
- 3. Underlines the important role of the international trade system and trade agreements in providing a stable and predictable regulatory framework to increase investment and generate the appropriate environment for new innovative energy solutions;
- 4. Points out that the finite nature of conventional energy sources and the very high, and growing, consumption in major industrialised countries and emerging economies could lead to further price rises, which may have a negative impact on production costs, added value, export prices and trade balances; considers it necessary, therefore, to switch, for energy supplies, towards renewable and other alternative energy sources, to reduce losses occurring in the transport of energy and to step up support for the development of new technologies and energy infrastructures;
- 5. Supports the more widespread production and use of biofuels, particularly those obtained from the industrial processing of agricultural products, and of second-generation biofuels, with a view to reducing the energy dependency of the EU and underpinning development and employment levels;
- 6. Considers that energy savings and energy supply contracts should expressly include the supply of a package in which different sources of energy should be combined according to efficiency and cost-saving criteria;
- 7. Considers that non-compliance with, or non-ratification, of the Kyoto Protocol entail comparative disadvantages for the EU economy by virtue of the effects on production

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costs and trade volume; calls for agreements on climate and environmental protection to be taken into consideration within the WTO framework; stresses the obligation to ensure compliance with international and European safety regulations regarding the construction and operation of nuclear power plants;

- 8. Considers it necessary to make serious efforts to put in place an international climate protection regime for the period after 2012;
- 9. Calls on the Commission to develop strategies whereby added value can be generated by the export of technology in the fields of energy savings and energy efficiency, thus creating jobs in Europe; 10. Calls on the Commission to push within the WTO for specific rules on the transparency of the energy market as well as on State aid and other trade distorting measures in order to promote fair competition; asks the Commission and the Member States to propose the establishment of a price-setting mechanism at global level and to provide the European Parliament with an assessment of the convenience and feasibility of the creation of a World Energy Market Observation System;
- 11. Asks the Commission to propose and promote an international agreement on energy efficiency;
- 12. Notes that research in the field of energy technologies is an important step on the way to opening up export markets; therefore calls on the Commission to continue supporting research into all sources of energy (conventional, nuclear and renewable) so that Europe, as well as exploiting such research for its own purposes in the EU Member States, may also open up export markets;
- 13. Considers that emissions trading can help encourage more energy-conscious behaviour, provided that emissions limits provide genuine incentives for energy savings, provided that all major economic areas participate, and provided that emissions trading does not result in distortions in the market or in emissions simply being moved from one place to another;
- 14. Regards the Energy Charter as a possible starting point for the creation of a regulatory framework for international trade and investments in the energy sector;
- 15. Supports calls for gas prices to be decoupled from crude oil price movements;
- 16. Stresses the need to promote decentralised energy supplies with short energy chains, based on the use of locally available resources, including the use of biomass and the development of biofuels, in order to help reduce dependence on imports and minimise expenditure on intervention for energy policy reasons;
- 17. Considers that the future of nuclear energy must be closely linked to a solid strategy at internal and external level to deal with the safety of nuclear material, radiological protection and joint R&D programmes for the reliable disposal of nuclear waste;
- Recalls that the EU must remain a key player in initiatives such as the International Partnership for the Hydrogen Economy or the International Thermonuclear Experimental Reactor;

- 19. Calls for greater support to be given, for example through knowledge and technology transfer, to the use of sustainable, locally available forms of energy and decentralised energy networks in particular in developing countries, in order to ensure access to energy, save resources, create jobs, reduce dependency and assist the development of properly functioning market economies;
- 20. Calls on the EU institutions and the Member States to engage, as a matter of urgency, in a close dialogue and cooperation with all large consuming and producing countries, particularly the US, India, China, Japan and the Gulf Cooperation Council, in order to establish effective and coherent frameworks and partnerships, which should contribute to a more stable, predictable, transparent and non-discriminatory global rules-based market;
- 21. Insist that the Commission should, as a matter of principle, require compliance with universal services obligations, in both its offers and requests in connection with energy services within the framework of services agreements at bilateral and multilateral level;
- 22. Calls on the Commission to speed up the implementation of the Trans-European Networks programme which aims at improving interconnections between the EU and neighbouring countries including Russia, the MEDA and Caspian Sea regions, on the basis of common strategies for exploiting energy resources and for accessing the transport infrastructure;
- 23. Highlights the valuable contribution that the use of Liquefied Natural Gas (LNG) can make in achieving the objectives on energy, and urges the Commission to promote initiatives to ensure its adequate development in the EU and in third countries;
- 24. Shares the Commission's view that Europe has not yet developed fully competitive internal energy markets, and that on the basis of current trends the EU's energy imports would be increasingly concentrated, and that energy prices are rising steeply at the international level; calls, therefore, for an intensified monitoring of the deregulation process within the European energy market; points, however, to the need to create a favourable framework for renewable energy sources;
- 25. Welcomes the Commission's Sector Enquiry on Gas and Electricity Markets; notes that increased concentration in the EU internal market may aggravate existing distortions, thus requiring the improvement of Member States' and the EU's regulatory capabilities in order to guarantee consumer rights and compliance with EU energy efficiency.

## PROCEDURE

Title	A European strategy for sustainable, competitive and secure energy - Green Paper
Procedure number	2006/2113(INI)
Committee responsible	ITRE
<b>Opinion by</b> Date announced in plenary	INTA 18.5.2006
Enhanced cooperation – date announced in plenary	NO
Drafts(wo)man Date appointed	Helmuth Markov 18.4.2006
Previous drafts(wo)man	
Discussed in committee	11.7.2006 11.9.2006
Date adopted	3.10.2006
Result of final vote	+: 20 -: 4 0: 1
Members present for the final vote	Jean-Pierre Audy, Françoise Castex, Giulietto Chiesa, Christofer Fjellner, Béla Glattfelder, Jacky Henin, Sajjad Karim, Alain Lipietz, Erika Mann, Helmuth Markov, David Martin, Georgios Papastamkos, Godelieve Quisthoudt-Rowohl, Robert Sturdy, Gianluca Susta, Johan Van Hecke, Daniel Varela Suanzes-Carpegna, Zbigniew Zaleski
Substitute(s) present for the final vote	Panagiotis Beglitis, Margrietus van den Berg, Danutė Budreikaitė, Małgorzata Handzlik, Pierre Jonckheer, Zuzana Roithová, Antolín Sánchez Presedo
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	

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