

European Parliament resolution of 17 September 2009 on external aspects of energy security

The European Parliament,

- having regard to its resolution of 26 September 2007, 'Towards a common European foreign policy on energy',
- having regard to the intergovernmental agreement between Austria, Bulgaria, Hungary, Romania and Turkey on the legal framework for the Nabucco gas pipeline project, which was signed on 13 July 2009 in Ankara,
- having regard to the acquisition by the Russian oil and gas company Surgutneftegas of a large minority share (21.2%) in the Hungarian petrochemical company MOL, a member of the Nabucco consortium,
- having regard to the Protocol on cooperation in the gas sphere between Russia and Turkey, signed on 6 August 2009 in Ankara, under which Turkey gives preliminary consent to the building of the South Stream gas pipeline and authorises Russia to carry out survey work for the pipeline in Turkey's territorial waters,
- having regard to the Memorandum of Understanding signed on 13 July 2009 between 12 EU companies to establish a DESERTEC Industrial Initiative to develop the vast potential for solar energy in the Middle East and north Africa,
- having regard to the Commission Communication entitled Second Strategic Energy Review - an EU energy security and solidarity action plan,
- having regard to the Commission proposal for a regulation of the European Parliament and of the Council concerning measures to safeguard security of gas supply and repealing Directive 2004/67/EC,
- having regard to the Commission proposal for a Council regulation concerning notification to the Commission of investment projects in energy infrastructure within the European Community and repealing Council Regulation (EC) No 736/96,
- having regard to the forthcoming 15th Conference of the Parties (COP 15) to the United Nations Framework Convention on Climate Change (UNFCCC) and the fifth Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (COP/MOP 5) to be held in Copenhagen, Denmark, from 7 to 18 December 2009,
- having regard to Rule 110(4) of its Rules of Procedure,
 - A. whereas energy security constitutes an essential component of the overall security, stability and prosperity of the European Union and a key element for the pursuit of economic and social development in Europe, for which, however, there is still no basis under the Treaties,
 - B. whereas the lack of a genuine and effective common European external energy security policy undermines the coherence and credibility of the EU's external action,
 - C. whereas the EU's dependence on energy imports is significant at present and, as things stand, is projected to increase,
 - D. whereas, despite the drop in oil and gas prices as a result of the global financial crisis, the slow progress in switching to more sustainable fuels, the declining output from the world's oil and gas fields, in spite of the discovery of new resources, and the continuing growth in demand will inevitably mean a return to tighter fossil fuel markets and increasing import dependence for oil-consuming countries, once the crisis is over,
 - E. whereas several Member States are highly dependent on a single supplier of natural gas, and whereas unwarranted disruption to supplies can cause severe problems, as demonstrated during the last Russia-Ukraine gas crisis at the beginning of 2009,

- F. whereas a number of Member States do not possess sufficient natural reserves to cope with crises,
- G. whereas, owing to existing and increasing energy-supply dependence on politically unstable regions, efforts to ensure security of supply exclusively at national level have proved to be insufficient and do not safeguard the long-term interests of all Member States,
- H. whereas the existing early-warning instruments proved inadequate to predict the gas crisis of January 2009,
- I. whereas predictable threats to the security of energy supplies will continue to exist as long as energy-producing and transit countries do not abide by common and transparent rules, as defined by the Energy Charter Treaty and the Transit Protocol,
- J. whereas a commitment to energy efficiency at home and abroad and a significant move towards a much larger share of renewable energy in the European Union's current energy mix would have a major impact in terms of reducing its dependence on imported energy and thereby improving its energy security, on the one hand, and helping it to honour its commitment to reduce greenhouse gas emissions by 20% by 2020, or more if agreed in Copenhagen, on the other,
- K. whereas a very cost-effective solution for reducing EU energy dependence is to encourage energy savings, renewable energy and energy efficiency measures, which also contribute to combating climate change and progress towards a resource-efficient economy,
- L. whereas close cooperation in the field of energy supply constitutes one of the most effective and indispensable confidence-building measures in relations between the European Union and neighbouring countries,
- M. whereas, although some steps have already been taken, there is a need to create a truly common energy policy with regard to internal market regulation, though not a country's energy mix, which remains the prerogative of Member States, and external aspects that takes account of the political and economic interests of all Member States,
- N. whereas a common European external energy security policy, based on solidarity, diversification, unity in defending common interests, strengthened cooperation with the major energy-producing, transit and consumer countries and the promotion of sustainability, would create synergies which would ensure security of supply for the European Union and would enhance the EU's strength, capacity for action in foreign policy matters and credibility as a global actor,
1. Looks to the Council, the Commission and the Member States to display together stronger strategic leadership in establishing a genuine common European external energy security policy, as called for in its above-mentioned resolution of 26 September 2007;
 2. Welcomes the measures on diversification and improving the EU's energy security proposed by the Commission in the Second Strategic Energy Review; considers, however, that clearly defined priorities and speedy action to implement them are needed, whilst keeping Parliament fully informed;
 3. Reiterates that a properly functioning internal energy market is of vital importance in preventing future gas-supply disruption and crises, as is the diversification of energy sources; underlines, therefore, the need for more investment in renewable and low-carbon energy and energy efficiency, which should be a central part of the Energy Action Plan for 2010-2014;
 4. Welcomes the above-mentioned new proposals for regulations on measures to safeguard security of gas supply and on investment projects in energy infrastructure within the European Community, which will contribute to greater security of gas supply in the European Union by ensuring that Member States take preventive action and improve crisis-management mechanisms and by increasing transparency and reducing red tape;
 5. Calls for more efforts to anticipate potential problems in energy supplies in order to avoid future disruption by developing, *inter alia*, the effectiveness of the Network of Energy Security Correspondents (NESCO), and calls on the Commission urgently to review existing early-warning mechanisms, NESCO and other instruments which proved ineffective in the face of the 2009 Russia-Ukraine energy crisis;

6. Calls on the European Union and its Member States to develop gas storage with fast-release capacity;

7. Regards the improvement of interconnections within Europe as essential, since filling the existing gaps is vital to the efficient functioning of the internal market and energy solidarity; welcomes, in this regard, the agreement on the financing of infrastructure projects as part of the European Economic Recovery Plan (EUR 250 million) and the idea of giving Europe a new European supergrid for electricity and gas, but insists that a general increase in public and private funding in the field of energy security is indispensable;

8. Underlines the urgent need to implement strategic projects aimed at the diversification of energy supplies, especially in the Southern Corridor; congratulates, in the context of becoming less dependent on Russian supplies, the governments of Austria, Bulgaria, Hungary, Romania and Turkey on the 13 July 2009 signing of the Intergovernmental Agreement on the legal framework for the Nabucco pipeline project, an important step towards realising this EU priority project, but underlines, at the same time, the importance of a general regime to govern the development of the corridor, with a view to linking the EU to new sources of gas from the Middle East and the Caspian region independently of any one company or pipeline, which regime would be aimed primarily at the speedy realisation of this link; urges the companies and the Member States involved in close cooperation with the Commission to secure initial agreements with prospective suppliers to feed the pipelines;

9. Stresses that the EU should engage in close dialogue with key energy suppliers, with a view to strengthening energy interdependence and improving energy security for the EU as a whole, with a particular focus on greater efficiency, equal market access, non-discrimination and transparency;

10. Stresses that energy dialogues should in no way take place at the expense of frank and results-oriented dialogues on human rights and that the protection of human rights and energy security should be a priority on the agenda for the next EU-Russia summit and become an integral part of the new EU-Russia agreement;

11. Suggests the development of a common EU approach to negotiations on transit rules and fees with external partners and calls on the Member States to inform each other and the Commission about strategic decisions and agreements concerning energy infrastructure projects;

12. Calls on the Commission to take immediate action against hostile takeover moves by non-transparent foreign entities in the EU energy market and to apply strictly EU competition rules; is alarmed, for example, by Surgutneftegas' recent acquisition of a stake in the Hungarian energy company MOL and its inability to disclose its ownership structure and the identity of its ultimate beneficiary owners, as legitimately requested by the Hungarian energy market regulator; calls on the Commission to investigate the activities of non-transparent foreign entities such as CENTREX, which recently took a 20% stake in Austria's Baumgarten trading and storage facility;

13. Calls on the EU to cooperate with the countries in the North Sea region in view of their significant potential as energy sources, in particular through production of offshore wind energy;

14. Calls on the Council and Commission to cooperate with the Member States of the Mediterranean region and the countries of north Africa, in view of their significant energy-resource potential and the substantial opportunities which could be created for their own development in particular within the Barcelona Process; encourages, in particular, the use of solar and wind energy in these regions; welcomes the recent progress made with the DESERTEC Industrial Initiative to develop the vast potential for solar energy in the Middle East and north Africa; stresses that EU action in relation to the DESERTEC project must be coherent and make an active contribution to the development of north African and Middle Eastern countries; calls, therefore, on the companies and Member States involved in this project - in close cooperation with the Commission - to promote development by means of genuine technology transfer and capacity-building aimed at local companies and civil society in order to ensure ownership and build a lasting partnership with the Mediterranean countries in which DESERTEC will be developed;

15. Emphasises the strategic importance of the Arctic region for the EU, in terms of both energy resources, environment, biodiversity and transport issues and the opening-up of the North-East Passage;

16. Emphasises that progress in developing a common European energy policy depends to a large extent on the entry into force of the Lisbon Treaty; urges the EU and the Member States to take steps to secure a binding, progressive and all-encompassing Treaty basis for a common European energy supply and security policy; calls for the speedy ratification of the Lisbon Treaty, which contains an energy solidarity clause and makes energy policy a shared responsibility between the EU and the Member States, as a step in the right direction;

17. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.