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MOTION FOR A RESOLUTION

pursuant to Rule 103(2) of the Rules of Procedure

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on the security of supply of energy in the European Union

B6-0000/2006

Motion for a European Parliament resolution on the security of supply of energy in the European Union

The European Parliament,

- xxx,
- having regard to Rule 103(2) of its Rules of Procedure,
- A. Whereas the Commission is expected to publish a Green Paper on the Security of Supply of Energy in the near future,
- B. whereas EU-25 import dependency for energy is 48% (2002) and is projected to rise to 71% by 2030,
- C. whereas primary energy consumption in the EU-25 was 1 700 million tonnes oil equivalent (Mtoe) in 2005, of which 38% oil, 23% gas, 18% coal/solid fuels, 15% nuclear and 6% renewable energy sources (RES),
- D. whereas EU-25 gross electricity generation is 31% nuclear, 25% solid fuel (predominantly coal), 18% gas, 14% RES, and 5% oil,
- E. whereas 77% of EU demand for oil and 51% demand for gas is met from imports,
- F. whereas the EU-15 is dependent on Middle East countries for 31% of oil imports; on Russia for 30% of gas imports and 28% of oil imports; on Algeria for 22% of gas imports,
- G. whereas oil consumption in the EU is increasing, particularly in the transport and buildings sectors despite a 50% decrease in energy intensity of oil appliances and the use of alternative fuels in industry, heating and electricity generation,
- H. whereas gas demand in the EU has risen markedly in both absolute terms and relative to other fuels where its market share has risen over ten years from 18% to 24% in 2003 and is projected to be 27% by 2020,
- I. whereas demand for coal in the EU has been decreasing for many years, import dependency is already 50% and is rising as a proportion of consumption of coal,
- J. whereas thirteen member states generate nuclear electricity and certain member states have a declared policy to phase out nuclear power. Import dependency for uranium is almost total, however volumes involved are very small and most sources of supply are diverse and secure,
- K. whereas the EU has set targets for increasing the share of energy consumption from RES from 6% to 12% and 22.1% electricity from RES by 2010; however, targets regularly set since 1985 for doubling the share of electricity from RES have not been achieved,

- L. whereas there are three main objectives for EU energy policy security of supply, competitiveness and protection of the environment, taking into account the principle of subsidiarity as established in the Council Resolution of 8th July 1986,
- M. whereas final energy use in the EU in 1998 was 28% in the industrial sector, 32% for transport and 40% in buildings; consumption growth in the transport sector is fastest,
- N. whereas energy efficiency in the EU improved 7% since 1990, but only 3% since 1993, yet current Commission proposals envisage 1% improvement per year in the future,
- O. Whereas energy intensity in Europe has reduced so that just over 80% of the energy used for a unit of economic output in 1990 is now required,
- P. whereas overall energy demand in the EU has been growing at a rate of between 1% to 2% per year since 1986,
1. Awaits the new Commission Green Paper on "security of energy supply" with great interest in light of recent developments in eastern Europe;
 2. Recognises the importance of good political relations with EU major energy supply partner countries, supports the Commission initiative with Russia and calls for urgent ratification of the Energy Charter;
 3. Notes that world total final energy consumption grew from 4 606 Mtoe in 1973 to 7 287 Mtoe in 2003, an increase of 58% over 30 years; notes that EU consumption is projected to grow by 22% in the period 1990 to 2020 and concludes that with demand rising faster in the world outside the EU, particularly in non OECD countries, there will be increased competing demand from third countries for the energy needed by EU Member States;
 4. Considers the level of dependence upon oil and the level of dependence on imports of oil to be of great concern; particularly having regard to all the efforts made by Member States to reduce dependency since the mid-1970s and the apparently inexorable rise in consumption in the transport sector;
 5. Recognises the growing importance of gas as its share of total energy rises towards 25% and its projected dominance in electricity production, and is of the view that dependence on any one fuel or energy source for more than a quarter of total consumption is a potential risk which should be avoided in a balanced mix of energy supply;
 6. Notes the relative decline of coal and other solid fuels due to high production costs, high levels of polluting emissions and competition from lower cost imports while recalling that coal remains an important indigenous, stable and secure long-term energy source;
 7. Recognises the role that nuclear energy currently plays in maintaining security of electricity supply, as a significant part of the energy mix and for avoiding an estimated 312 million tonnes of CO₂ emissions per year (7% of total greenhouse gas (GHG) emissions in the EU). Current estimates project a 12% increase in EU CO₂ emissions by 2020, well short of the Kyoto target 8% reduction;

8. Re-affirms its strong support for RES, calls on Member States to re-double efforts to achieve the targets of a 12% share of total energy consumption and 22.1% of electricity from RES by 2010 and welcomes the adoption of the Directive on electricity from RES;
9. Agrees with the Council conclusion that a shared view on a strategy for security of supply should respect Member States' geographical, economical, regional, climate and structural differences; promote further market opening in the EU; be consistent with sustainable development as well as climate change commitments within the energy sector; and add value over action by individual Member States;
10. Agrees with the Commission conclusion that the first priority for action should be in the field of demand management measures to improve efficiency of energy use and reduce consumption through conservation. Regrets the delay in bringing forward proposals for the transport sector. Notes the potential saving of 18% energy consumed;
11. Notes the call by the Commission for an Energy Chapter, supported by the Parliament in the past, but considers that the refusal of Member States to include a chapter in either the Amsterdam Treaty or the Nice Treaty should be accepted as a good reason to concentrate on more practical measures;
12. Considers the recent calls for a Common Energy Policy require careful consideration of definition and objectives,
13. Recognises that taxation can have an important part to play in influencing patterns of behaviour, as can regulations and technical measures, but considers, from past experience and Commission studies, that taxation alone has proved more effective as a source of revenue than as a measure for reducing energy consumption. Demand for energy has proved to be inelastic in comparison with supply when prices rise due to either market forces or tax increases or a combination of the two;
14. Considers therefore that fiscal measures would be more effective as an incentive rather than a deterrent and should only be used as part of a package of technical and regulatory measures. Voluntary agreements with industry are a useful model of what can be done;
15. Considers it urgent that the Commission submit proposals for sustained, long-term improvement in energy efficiency and conservation in the transport sector by working with the industry and, where appropriate, making legislative proposals to achieve a) more fuel efficient engines; b) lighter, stronger materials for vehicle construction; c) use of alternative fuels; d) a transfer of traffic from road to rail; e) more rail electrification;
16. Notes the considerable potential for energy efficiency gains, reductions in polluting emissions and a world-wide market for new equipment and systems from clean coal technology and calls for industry and the 7th Framework Programme of Research (7FP) to achieve a successful demonstration of clean coal power systems. Believes, therefore, that it is essential to maintain a viable indigenous coal production industry while recognising the need for greater efficiencies and reduced subsidies;
17. Calls on Council to accept Parliament's position on TENS priorities in order complete the missing links in trans-European energy networks (TENS) so as to improve security of

supply as well as complete the internal market, by supporting specific projects, where appropriate;

18. Recognises the huge potential for increased employment, as well as equipment and systems sales, both within the EU and in the wider world, from investment in new capacity for generating electricity from RES, nuclear energy and clean coal technology;
19. While recognising the wide desirability of electricity from RES recalls that security of supply cannot easily be maintained with the variable and interruptible inputs associated with wind or photo-voltaic generation and that large volume, base load generation from nuclear is an essential part of the energy mix;
20. Considers it essential that the EU lead by example in maintaining research expenditure within the 7FP on future energy technologies such as nuclear fusion, fuel cells, the hydrogen cycle, electric batteries and other energy storage systems;
21. Remains of the view that an essential part of maintaining security of supply is to complete the liberalisation of energy markets to achieve a fully functioning internal market in electricity and gas to enhance competitiveness, transparency and energy efficiency;
22. Disagrees with the Commission view that little can be done on the supply side, having regard to targets for an increased share of final energy consumption for RES, and points to the need to at least maintain nuclear energy capacity at present levels as the single largest base-load supplier of electricity;
23. Believes that achieving the target for 22.1% electricity from RES, maintaining the present level of nuclear electricity production and building new clean coal power plants are all essential for security of supply and achieving Kyoto emission reduction targets;
23. Instructs its President to forward this resolution to the Council and Commission and the parliaments of the Member States.