



EUROPEAN PARLIAMENT

2014 - 2019

Committee on the Environment, Public Health and Food Safety

2015/2113(INI)

18.9.2015

OPINION

of the Committee on the Environment, Public Health and Food Safety

for the Committee on Industry, Research and Energy

on Towards a European Energy Union
(2015/2113(INI))

Rapporteur (*): Ivo Belet

(*): Associated committee – Rule 54 of the Rules of Procedure

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SUGGESTIONS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Welcomes the Commission communication and underlines the importance of striking the right balance between its different goals: energy security and affordability, measures to support energy efficiency, an ambitious climate policy and the transition towards a sustainable and low carbon economy, while stimulating green growth, boosting the EU's competitiveness and providing more affordable prices to consumers; underlines the fact that the completion of the internal energy market as well as ambitious energy efficiency and renewable energy targets are of key importance both for reducing external energy dependence and greenhouse gas emissions;
2. Emphasises that the only way to achieve energy security while at the same time keeping energy prices affordable and reaching our climate goals is to create a sustainable energy landscape, based on a high degree of energy efficiency, renewable energy and a smart infrastructure; stresses, moreover, that the right actions need to be taken today in order to bring about this transition for future generations;
3. Notes that increased interconnection levels and diversity of supply strengthens the EU's resilience to supply disruptions, increases energy security and contributes to reducing dependence on fossil fuels such as oil, gas and coal;
4. Insists on actively involving social partners in addressing the social impact of the transition towards a sustainable and decarbonised energy union by means of a social energy dialogue platform;
5. Stresses that any new initiative should be transparent, avoid creating an unnecessary administrative burden and fully respect Member States' freedom to determine their energy mix;
6. Recalls that the agreement reached by the European Council in October 2014 on the '2030 framework for climate and energy policies' comprises the commitment to reduce domestic greenhouse gas emissions by 40 % at least compared to 1990 levels, being the basis for developing the decarbonisation dimension of the Energy Union; notes that this decision also constitutes the most ambitious contribution to the international climate negotiations with a view to achieving a binding climate agreement at the UNFCCC COP21 in Paris, December 2015;
7. Recalls Parliament's resolution of 5 February 2014 which calls for three binding targets: an energy efficiency target of 40 %, a renewables target of at least 30 % and a GHG reduction target of at least 40 %, and calls again on the Council and the Commission to adopt and implement, as part of the EU's 2030 framework for climate and energy policies, a multifaceted approach based on mutually reinforcing, coordinated and coherent targets for the reduction of greenhouse gas emissions, renewable energy sources and energy efficiency;

8. Underlines the crucial role of a legislative proposal for an open, transparent, inclusive and robust 2030 governance system in order to ensure full implementation of the 2030 climate and energy targets in a transparent and democratic manner, guarantee regular reporting and information exchange, and ensure the full participation of Parliament through the ordinary legislative procedure; calls on the Commission to present on an annual basis, a public report on the implementation of the policies and projects under the Energy Union Strategy to be considered as part of the implementation scrutiny conducted by Parliament; calls moreover on the Commission to revise existing legislative instruments and to develop new incentives so as to promote new investments in the energy sector, support new technologies, create quality jobs and build a prosperous sustainable economy;
9. Stresses the need to achieve a comprehensive, ambitious and binding agreement at the UNFCCC COP 21 meeting in Paris that contains sound guarantees for keeping the rise in global average temperature below 2°C in comparison with pre-industrial levels, together with a global, robust and common transparency and accountability system that includes monitoring, reporting obligations and an effective and efficient compliance system; believes that the post-2020 international climate regime should include provisions to enable greater ambition, support cost-effective mitigation efforts, and provide opportunities for safeguarding environmental integrity and sustainable development; stresses the need for a strong commitment to emission reductions from the world's largest polluters; emphasises the key role to be played by the EU diplomacy as regards climate and energy, and the Union's global leadership in energy efficient technologies, which is a priority for a resilient Energy Union;
10. Underlines the key role of the Emissions Trading System (ETS) as a cost-effective market-based tool to decarbonise Europe's energy system and to achieve the EU's emission reduction target for 2030 and beyond; stresses that in addition to the Market Stability Reserve (MSR), a structural post 2020 reform of the ETS should be implemented, to take into account the 2030 CO₂ reduction target and including, as long as no comparable efforts are undertaken in other major economies, tangible and more harmonised measures at EU level on carbon leakage;
11. Calls on the Commission to examine further the issue of indirect carbon costs and their impact on (and share in) electricity prices in the Member States;
12. Stresses that ETS revenues should be utilised in particular to support low-carbon innovation, energy efficiency and other CO₂ reduction measures;
13. Calls for new EU initiatives in the non-ETS sectors, in particular in sectors with a huge energy efficiency potential, such as the transport and buildings sector to assist Member States in achieving their reduction targets; supports the introduction of the 'Energy Efficiency First' principle and, as pointed out in Parliament's resolution of 5 February 2014 on the 2030 framework for climate and energy policy, of an ambitious EU-level energy efficiency target for 2030, that should be focused in particular on non-ETS sectors; considers the energy efficiency legislation and the EU ETS to be mutually supportive instruments, and calls on the Commission to complement the ETS with an emissions performance standard that provides a clear investment signal for developing renewable energy and phasing out the least-efficient coal-fired power plants and methane emissions

in oil and gas production, and calls for the phasing-out of fossil-fuel subsidies;

14. Takes the view that energy efficiency is the main untapped source of energy, and calls on the Commission to combine the most effective approaches to energy efficiency, including smart networks, a modal shift in transport and eco-mobility;
15. Notes that the EU building stock is responsible for approximately 40 % of final energy consumption, for the consumption of approximately 60 % of EU gas imports and for 36 % of CO₂ emissions in the EU and that heating and cooling is the largest single source of energy demand in the EU; therefore calls on the Commission to address the potential efficiency gains in the buildings sector; stresses the need to modernise the heating sector, in particular district heating, to improve security of supply and increase energy efficiency; underlines the need to foster an even more ambitious policy in the area of energy savings in residential and office buildings through comprehensive insulation and advanced building design;
16. Calls on the Commission and Member States to recognise the importance of energy efficiency and its role in both lowering costs for consumers and maintaining security supply and emphasises the importance of investing in energy efficiency across the EU by means of in energy security plans;
17. Underlines the importance of fully implementing the Energy Efficiency Directive and the Energy Performance of Buildings Directive and allocating increased EU funding to these areas; emphasises that as part of the revision, measures should focus on social housing and on the most inefficient properties occupied by low-income households;
18. Emphasises the importance of developing smart management systems, in particular in the regions, with a view to exploiting to the full the potential offered by renewable energies and distributing energy produced from renewables between territories in accordance with production capacities and consumers' needs;
19. Calls on the Commission and the Member States to prioritise the smart cities network in order to stimulate and exchange best practices and to fully exploit the potential of local and regional energy efficiency and greenhouse gas mitigation projects and measures; stresses furthermore the benefits of more sustainable energy systems, which can increase efficiency, consumer empowerment and small-scale business opportunities; proposes to bring together all multi-level governance partners in an operational interface and to actively involve the Covenant of Mayors in such a transparent platform;
20. Stresses the need to lift economic, regulatory and administrative barriers to empower the consumers to take control of their energy use, encourage them to commit and invest in decentralised energy and to protect them from energy poverty;
21. Calls on the Commission to develop innovative financial incentives, instruments for decarbonisation investments, to mobilise the full potential of energy efficiency gains in the housing sector, also with regard to sustainable retrofitting of the houses of vulnerable families and citizens;
22. Calls on the Commission and the Member States to ensure a level playing field for new

business models in the energy market;

23. Calls on the Commission to encourage the active involvement of citizens and local authorities in the production and management of their own energy, inter alia, through co-operatives, because this will encourage investments in renewable energy generation and because citizens' participation in energy cooperatives can increase both their awareness of the advantages of efficient energy consumption and their control over energy prices;
24. Calls on the Commission and the Member States to address the challenge of rural development and low productivity in the farming sector with subsidy dependence, as an opportunity to pool sources from different schemes applied to farming to incentivise investment in renewables in rural areas, with the objective of increasing energy independence and decreasing the costs of food production;
25. Calls for a new EU initiative on LULUCF emissions in a separate pillar to assist Member States in reducing emissions from agriculture, land use and forestry activities, as well as delivering additional emission reductions by 2030, in addition to required energy-related emission reductions;
26. Underscores the need for more coordinated support schemes for renewables, in accordance with the 'European Commission guidance for the design of renewables support schemes', and more intra-EU trade in renewable electricity, for example through projects such as the North Sea Grid; calls on the Commission to ensure a level playing field for renewables within the EU and to put more emphasis on decentralised production and self-consumption of renewable electricity so as to provide a clear investment signal for sustainable energy forms, by maximising the potential of available EU funds in particular through the future European Fund for Strategic Investments, for strategic infrastructure projects and environmentally sustainable projects, expansion of renewable energy and resource efficiency; stresses that the Energy Union should prioritise market-based instruments for the promotion of low-emissions energy; calls for a functioning single market, especially for sustainable renewable energy;
27. Stresses the need for more than EUR 1 trillion of investments in the EU's energy sector by 2020 alone; considers investment in an integrated research and innovation strategy to be a cornerstone for developing low-carbon technologies and in particular renewable technologies, smart-grid and smart-home technologies, clean transport and storage solutions in order to make the Energy Union a driving force for growth, employment and competitiveness;
28. Underlines the success and further potential of ecodesign in terms of improving energy efficiency and energy consumption of products, and thereby decreasing household energy costs and consumption and reducing greenhouse gas emissions; calls on the Commission to introduce further implementing measures, taking into account the wider resource efficiency agenda, and to review existing measures to ensure their adequacy;
29. Stresses the role of the EU energy label in empowering and informing consumers with accurate, relevant and comparable information on the energy efficiency of energy-related products; stresses the need for a revision of the energy label in order to further facilitate energy efficient consumer choices and incentivise the manufacturing of energy efficient

products;

30. Stresses the need to develop for long-term use new technologies for the production, storage and transport of renewable energies, drawing on the example of innovative local projects;
31. Emphasises that attention must be paid to small and local energy initiatives, which can contribute to affordable and sustainable energy;
32. Recalls that the transport sector has an important energy efficiency potential and represents more than 30 % of final energy consumption in Europe; calls on the Commission to urgently step up the EU's efforts through the introduction of long-term measures to pursue the decarbonisation of the transport sector, while ensuring a high level of environmental and health protection;
33. Refers to the mid-term review of the White Paper on Transport and reiterates its support for target-setting and goals for a competitive and resource-efficient transport system; calls on the Commission to put forward a legislative proposal setting ambitious emissions performance standards for cars and light-duty vehicles for 2025;
34. Recalls that international shipping is still excluded from binding commitments to reduce greenhouse gas emissions and yet is, in terms of traffic, experiencing a high growth rate; calls on the Commission to present a legislative proposal on greenhouse gas reduction targets for international shipping, unless binding measures are agreed in the IMO before the end of 2016;
35. Insists on the need for more ambitious EU initiatives for developing and stimulating incentives for the roll-out of an alternative fuels infrastructure, to further incentivise the production, market penetration and use of advanced and sustainable bio- and other alternative fuels that represent significant lifecycle GHG savings, and to speed up the electrification of transport and the transition to renewable energy sources; encourages the use of alternative fuels in transport infrastructures; highlights the importance of investments in research, development and technological innovation in this respect, and stresses the need to develop smart infrastructure, such as recharging points equipped with smart meters;
36. Calls on the Commission to revise the fuel consumption and CO₂ labelling scheme for passenger cars to ensure consumers are provided with more accurate, relevant and comparable information on CO₂ emissions, fuel consumption so as to guide the consumer's choice towards those cars that are the most energy efficient, and in turn incentivise manufacturers to improve the energy efficiency of their vehicles and increase energy security;
37. Insists on the Commission accelerating the introduction of a revised test cycle, to ensure that CO₂ and other pollutant emissions from vehicles reflect emissions under real driving conditions;
38. Notes that biomass from sustainable forestry could contribute to the achievement of climate and energy goals of the 2030 framework;

39. Urges the Commission to develop an initiative on the EU's global technology and innovation leadership on renewable and low-carbon energy technologies, including wave energy, floating solar technologies and biofuels produced from algae, and to boost public and private research, development and innovation activities in these fields;
40. Notes that the current EU biofuels policy has been widely criticised for not taking into account greenhouse gas emissions associated with indirect land-use change (ILUC), which can be triggered when existing agricultural production shifts to uncultivated land, both inside and outside the EU;
41. Considers that a sustainable approach for meeting the EU's energy security targets should not further expand the use of biofuels grown on land and that improving the fuel efficiency of vehicles, reducing transport demand, reducing intensive livestock, increasing the use of biofuels from waste and residues that do not cause additional land-use change are better options;
42. Looks forward to and insists on support for projects and investments that capitalise on waste carbon as a commodity for low-carbon chemicals and advanced biofuels (i.e. by using microbes that are grown on carbon-rich waste gases and that are transformed into fuels and chemicals that displace those made from fossil resources (or first generation biofuels), thereby reducing emissions and pollutants from industrial processes such as steel manufacturing;
43. Regrets the Commission's decision to withdraw its proposal on a reviewed energy taxation directive, and the failure of Member States to agree on a model where energy taxation is based on the CO₂ and energy content;
44. Believes that the energy security and eventual self-sufficiency of the EU can be primarily achieved by promoting energy savings and renewable energy, which will, together with other alternative sources of energy, such as biofuels, reduce import dependency; notes that energy security must be achieved along with strict rules of environmental protection and asks the Commission and the Member States to oppose the use of extraction methods for fossil fuels such as the hydraulic fracturing process or fracking and in particular the unconventional ones;
45. Recalls the environmental, climate and health risks and impacts related to the extraction of unconventional fossil fuels and warns against using the Energy Union context to promote such energy sources;
46. Urges Member States not to authorise any new unconventional hydraulic fracturing operations in the EU, on the basis of the precautionary principle and on the basis of the principle that preventive action should be taken, and taking into account the risks and the negative climate, the environmental and health impacts involved in hydraulic fracturing for the exploitation of unconventional fossil fuels and the gaps identified in the EU regulatory regime for shale gas activities;
47. Considers that the use of hydraulic fracturing in the EU entails risks and adverse consequences for the climate, the environment and public health, and jeopardises the achievement of the EU's long-term decarbonisation goal; considers, further, that on

account of the limited potential of unconventional fuels to help meet the EU's future energy demand, coupled with high investment and exploitation costs, hydraulic fracturing is not a promising technology; urges the Member States, therefore, not to authorise any new operations involving the exploration or extraction of unconventional fuels in the EU until this is proven to be safe for the environment and the public;

48. Calls on the Member States, in order to encourage the much needed investments in the energy sector, to develop long-term energy strategies and if possible among all stakeholders a 'national energy pact' in the light of the Energy Roadmap 2050 and the long-term target of 80 %-95 % reduction of greenhouse gases by 2050;
49. Calls on the Commission to monitor if national energy strategies are in line with the sustainable principles of the Energy Union;
50. Stresses that despite progress made in recent years, Europe's energy systems are still underperforming, the current market design does not lead to sufficient investments, and the European energy landscape is still too fragmented; underlines that the precondition for a functioning EU internal market is a well-connected network which ends Member States' energy isolation, and urges the Commission to support the completion of all major interconnectivity projects;
51. Underlines the importance of encouraging initiatives from the relevant sectors themselves in order to create broader support for the European Energy Union;
52. Calls on the Commission and the Member States to acknowledge the immense potential of the outermost regions and the overseas countries and territories as sources of renewable energy in the context of a development model based on complete energy self-sufficiency;
53. Stresses the significant co-benefits for the climate, air quality, public health and the environment from improving energy security through increased energy efficiency and recommends a switch to renewable energy such as wind, solar and geothermal energy;
54. Reaffirms the EU's and its Member States' firm commitment to complete the single energy market, ensuring the strict application of the acquis and calls on the Commission to propose a 15 % target of cross-border interconnection infrastructure, in particular for renewable electricity, by 2025; stresses that climate and energy goals will not be achieved unless a fully integrated European network is developed, equipped with a higher number of cross-border interconnections, greater storage potential and smart grids that can handle a secure supply using high levels of renewables; underlines the need for the upgrading of innovative low-emissions technologies and solutions;
55. Highlights the fact that in a true circular economy waste has to feed back into the economy as raw material in order to keep the added value in the product for as long as possible and therefore preparation for reuse and recycling have a much higher priority than incineration; points to the fact that many Member States already have an overcapacity at incineration plants; stresses the need for better planning and information sharing and preventing lock-in effects; urges the Commission to take the link between the Energy Union and the circular economy into account;

56. Insists that the EU's energy policy should ensure access to energy for all, contribute to affordable energy prices for the benefit of all consumers and strengthen public control and regulation in this sector; reiterates that energy is a basic human need and therefore the EU should closely focus on the issue of energy poverty and promote measures to tackle this problem, which affects one in four EU citizens; recalls that this problem is likely to be aggravated in the coming years;
57. Calls on the Commission to prepare an action plan for tackling energy poverty, setting out specific measures and methods to overcome energy poverty and lift EU citizens out of danger, given that a growing number of households are falling into energy poverty and others are at serious risk of falling into the same kind of poverty, more and more electricity and gas consumers are unable to pay their bills and are falling into ever greater debt, and many people are choosing to heat their homes with cheap, dirty fuels that harm not only the consumers themselves but also their surroundings;
58. Calls on the Commission to include a chapter on energy in all relevant trade agreements;
59. Recommends that agreements aim to involve acceding EU countries in the European Union's energy projects;
60. Calls for full transparency in the accounting of fossil fuels' subsidies in the EU; welcomes in this regard the clarity provided in such reporting, for example the OECD 2013 report entitled 'Inventory of Budgetary Support and Tax Expenditures for Fossil Fuels', which identified an inventory of 550 measures that support fossil fuel production in 34 member countries with a value of USD 55-90 billion annually between 2005 and 2011.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	15.9.2015
Result of final vote	+: 48 -: 7 0: 8
Members present for the final vote	Margrete Auken, Pilar Ayuso, Zoltán Balczó, Catherine Bearder, Ivo Belet, Simona Bonafè, Cristian-Silviu Buşoi, Nessa Childers, Birgit Collin-Langen, Mireille D'Ornano, Miriam Dalli, Seb Dance, Angélique Delahaye, Jørn Dohrmann, Ian Duncan, Stefan Eck, Bas Eickhout, Eleonora Evi, José Inácio Faria, Karl-Heinz Florenz, Francesc Gambús, Iratxe García Pérez, Elisabetta Gardini, Gerben-Jan Gerbrandy, Jens Gieseke, Julie Girling, Sylvie Goddyn, Matthias Groote, Andrzej Grzyb, Jytte Guteland, György Hölvényi, Jean-François Jalkh, Benedek Jávor, Josu Juaristi Abaunz, Karin Kadenbach, Kateřina Konečná, Giovanni La Via, Peter Liese, Susanne Melior, Massimo Paolucci, Bolesław G. Piecha, Pavel Poc, Frédérique Ries, Daciana Octavia Sârbu, Annie Schreijer-Pierik, Renate Sommer, Dubravka Šuica, Claudiu Ciprian Tănăsescu, Estefanía Torres Martínez, Nils Torvalds, Jadwiga Wiśniewska, Damiano Zoffoli
Substitutes present for the final vote	Paul Brannen, Nicola Caputo, Elena Gentile, Adam Gierek, Martin Häusling, Krzysztof Hetman, Jan Huitema, Mairead McGuinness, James Nicholson, Bart Staes
Substitutes under Rule 200(2) present for the final vote	Daniela Aiuto, Tiziana Beghin, Ashley Fox, Stefano Maullu