P8_TA(2015)0444

Towards a European Energy Union

European Parliament resolution of 15 December 2015 on Towards a European Energy Union (2015/2113(INI))

The European Parliament,

– having regard to the Treaty on the Functioning of the European Union, in particular Articles 191, 192 and 194 thereof,

– having regard to the Treaty establishing the European Atomic Energy Community (Euratom),

– having regard to the Commission communication entitled ‘A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy’ (COM(2015)0080) and its annexes,


– having regard to the Commission communication entitled ‘Short term resilience of the European gas system. Preparedness for a possible disruption of supplies from the East during the autumn and winter of 2014/2015’ (COM(2014)0654),

– having regard to the Commission communication on security of energy supply and international cooperation entitled ‘The EU Energy Policy: Engaging with Partners beyond Our Borders’ (COM(2011)0539),


having regard to the Commission communication of 10 October 2012 entitled ‘A stronger European industry for growth and economic recovery’ (COM(2012)0582),

having regard to the Commission communication of 15 November 2012 entitled ‘Making the internal energy market work’ (COM(2012)0663) and the accompanying working documents, and to Parliament’s resolution of 10 September 2013 on making the internal energy market work¹,

having regard to the Commission communication entitled ‘Progress towards completing the internal energy market’ (COM(2014)0634),

having regard to the Commission communication entitled ‘Energy infrastructure priorities for 2020 and beyond – a blueprint for an integrated European energy network’ (COM(2010)0677),

having regard to the Commission communication of 29 January 2014 entitled ‘Energy prices and costs in Europe’ (COM(2014)0021),

having regard to the Commission communication of 22 January 2014 entitled ‘For a European Industrial Renaissance’ (COM(2014)0014),


having regard to the Commission communication of 20 September 2011 entitled ‘Roadmap to a Resource Efficient Europe’ (COM(2011)0571), and to Parliament’s resolution of 24 May 2012 on a resource-efficient Europe²,

having regard to the Commission communication entitled ‘Energy efficiency and its contribution to energy security and the 2030 framework for climate and energy policy’ (COM(2014)0520),

having regard to the Commission communication entitled ‘Roadmap for moving to a competitive low-carbon economy in 2050’ (COM(2011)0112),

having regard to the Commission communication of 15 December 2011 entitled ‘Energy Roadmap 2050’ (COM(2011)0885), and to Parliament’s resolution of 14 March 2013 on the Energy Roadmap 2050, a future with energy³,

having regard to the Commission staff working document entitled ‘Exploiting the employment potential of green growth’ (SWD(2012)0092),

having regard to the Commission communication entitled ‘The Future of Carbon Capture and Storage in Europe’ (COM(2013)0180),

having regard to the Commission communication entitled ‘A policy framework for climate and energy in the period from 2020 to 2030’ (COM(2014)0015),

having regard to the European Council conclusions of 23-24 October 2014,

¹ Texts adopted, P7_TA(2013)0344.
– having regard to the European Council conclusions of 19-20 March 2015,


– having regard to the proposal for a regulation of the European Parliament and of the Council establishing the Connecting Europe Facility (COM(2011)0665),


– having regard to the Third Energy Package,


– having regard to Decision No 994/2012/EU of the European Parliament and of the Council of 25 October 2012 establishing an information exchange mechanism with regard to intergovernmental agreements between Member States and third countries in the field of energy,

– having regard to its resolution of 12 June 2012 on Engaging in energy policy cooperation with partners beyond our borders: A strategic approach to secure, sustainable and competitive energy supply¹,

– having regard to its resolution of 21 November 2012 on industrial, energy and other aspects of shale gas and oil²,

– having regard to its resolution of 17 February 2011 on Europe 2020³,

– having regard to its study entitled ‘Mapping the Cost of Non-Europe, 2014 -19’,

¹ OJ C 332 E, 15.11.2013, p. 28.
having regard to its resolution of 5 February 2014 on a 2030 framework for climate and energy policies¹,

– having regard to its resolution of 15 December 2015 on achieving the 10 % electricity interconnection target – Making Europe’s electricity grid fit for 2020²,

– having regard to the Energy Charter Treaty, in particular articles 7 and 20 thereof,

– having regard to Rule 52 of its Rules of Procedure,

– having regard to the report of the Committee on Industry, Research and Energy and the opinions of the Committee on the Environment, Public Health and Food Safety, the Committee on Foreign Affairs, the Committee on International Trade and the Committee on Transport and Tourism (A8-0341/2015),

A. whereas according to article 194 TFEU, the European energy policy shall ensure the functioning of the energy market, ensure security of energy supply, promote energy efficiency and savings and the development of renewable energy and promote the interconnection of energy networks; whereas the definition of the energy mix of Member States remains a national competence, and therefore energy mixes remain highly diversified;

B. whereas the creation of a resilient Energy Union with a forward-looking climate change policy should be based on a transition towards a sustainable, forward-looking energy system with energy efficiency, renewable energy, best use of Europe’s energy resources and smart infrastructure as major pillars; whereas a long-term stable regulatory framework is needed to create economic growth and jobs and ensure the EU’s leading role in these areas;

C. whereas an energy security strategy must include cost-efficient actions to moderate energy demand and equally effective actions to overcome major and imminent disruptions, as well as solidarity and coordination mechanisms to protect and strengthen energy generation, smart transmission and distribution infrastructure and interconnectors; whereas this infrastructure must be capable of handling variable renewables, and be built into a fully integrated and well-functioning internal energy market as an essential part of an Energy Union with diversified external supplies and routes;

D. whereas Parliament has twice called for binding 2030 climate and energy targets of at least 40 % reduction in CO₂ emissions, at least 30 % for renewables and 40 % for energy efficiency, to be implemented by means of individual national targets; whereas binding national and EU targets for energy efficiency and renewables create growth and jobs and would help secure the EU’s technological leadership in these fields;

E. whereas measures for developing the Energy Union and achieving its climate and energy targets must take full account of the impacts on energy prices and focus on synergies and further market integration which will help reduce overall costs and improve the competitiveness of the EU economy in order to get the necessary support from citizens and industry; whereas, in this context, all necessary impact assessments

¹ Texts adopted, P7_TA(2014)0094.
² Texts adopted, P8_TA(2015)0445
must take into full account the present and future hidden and sunk costs deriving from a business-as-usual energy policy;

F. whereas the Energy Union should be a new energy model for Europe, based on strong cross-cutting legislative grounds and strong objectives; whereas governance of the Energy Union must be transparent; guaranteeing a stable framework and including Parliament in the decision making-process while promoting the role of local authorities and citizens;

G. whereas it is fundamental that the EU and the Member States acknowledge the importance of including consumer-based initiatives such as cooperatives, community renewable energy and energy efficiency projects, and stresses the need to lift economic, regulatory and administrative barriers to allow citizens to participate actively in the energy system;

H. whereas climate change, uncompetitive energy prices and an extremely high dependency on unreliable third country suppliers are threatening the sustainability of Europe’s energy system;

I. whereas the goal of a resilient Energy Union with an ambitious climate policy at its core is to ensure the transition to a new energy model which empowers households and businesses to produce and consume secure, sustainable, competitive and affordable energy;

J. whereas the issue of energy poverty needs to be tackled within the framework of the Energy Union by empowering vulnerable consumers, improving energy efficiency for the most vulnerable and developing curative measures making energy affordable for those in need;

K. whereas energy poverty can be defined as the inability of a household to support an adequate level of energy supply, so as to guarantee basic levels of comfort and health, owing to a combination of low income, high energy prices and low-quality housing stock;

L. whereas the future vision of the Energy Union must be one in which Member States recognise that they depend on each other to deliver secure, sustainable and affordable energy to their citizens, based on true solidarity and trust, and in which the European Union speaks with one voice in global affairs; whereas every Member State therefore has a duty to prioritise energy efficiency and energy demand reduction in order to safeguard the energy security of the EU and its Member States overall;

M. whereas EU energy and climate policies must complement each other, and their objectives must reinforce one another; whereas the Energy Union should therefore complement European reindustrialisation and growth objectives, boost the transition to a sustainable economy largely based on energy efficiency and renewable energy, which will enhance the global competitiveness of the European economy while effectively avoiding carbon leakage;

N. whereas the EU imports more than half of all the energy it consumes, its import dependency is particularly high for crude oil (more than 90 %), natural gas (66 %) and hard coal (72 %), and the total import bill is more than EUR 400 billion in 2013; whereas the EU building stock is responsible for approximately 40 % of final EU
energy consumption and for the consumption of approximately 60% of EU gas imports, therefore making the moderation of its energy demand an important factor towards achieving energy independence;

O. whereas the global price of oil has fallen significantly, providing the EU with an opportunity to take major steps in transforming our energy landscape by investing in renewable energy production, grasping the energy efficiency potential of buildings and industry and developing smart infrastructure; whereas money spent on importing fossil fuels contributes little to investment, jobs or growth in the Union, and whereas redirecting this money to internal investments would stimulate growth and create high-quality, high-skilled local jobs;

P. whereas many countries are heavily reliant on a single supplier, which could leave them vulnerable to supply disruptions;

Q. whereas the EU is heavily dependent on energy imports from Russia, which has proven to be an unreliable partner and which uses its energy supplies as a political weapon;

R. whereas it has become an important part of Russian foreign policy to develop and implement a strategy regarding strategic resources, in particular oil and natural gas, in order to put other countries under political pressure; notes that this has been the case for a number of its neighbouring countries and for several Member States of the European Union;

S. whereas the use of oil and natural gas for reasons of foreign policy and for the destabilisation of other countries undermines economic growth and, even more dangerously, democratic stability in Europe and the independence of sovereign states;

T. whereas European energy security must be developed in a way that defends both European security and the sovereignty of European countries, comprising both EU Member States and Eastern Partnership countries;

U. whereas a policy for energy security must address the need for a stable supply from different energy sources, providing the European economy with the energy needed for transports, industry and housing in a way that supports competitiveness and climate policy, at the same time as it must minimise the dependence on those who deliberately want to use energy resources for their own political purposes in order to influence political developments in other countries;

V. whereas no Member State should be subject to contract terms incompatible with EU law which exploit its weak position on the energy market based merely on geographical and historical determinants;

W. whereas the 2006 and 2009 gas disputes between Russia and transit-country Ukraine left many EU countries with severe shortages; whereas the disruptions show that the measures taken so far have been insufficient to eliminate Europe’s reliance on Russian gas;

X. whereas ex-post assessment and verification of all energy-related agreements as regards compliance with EU law is already possible through, inter alia, competition and energy regulations; whereas insufficient ex-ante compliance checks at national and EU level lead to severe market distortions; whereas the Commission has recognised these
shortcomings and has undertaken to strengthen the ex-ante assessment provisions on commercial gas supply contracts;

Y. whereas over EUR 1 trillion need to be invested in the EU energy sector by 2020 alone, and whereas for every euro not invested in the energy infrastructure before 2020, 4.3 euro would be needed after 2020 to achieve the same goals, which would put an undue burden on future generations;

Z. whereas the EU must enable these investments to be funded by mobilising all existing resources, both public (the structural funds and the European Investment Bank (EIB)) and private, by encouraging the channelling of household savings and of the capacities of long-term investors (pension funds and insurance companies) and by creating a new financial capacity for the EU;

AA. whereas EU industrial electricity prices, before taking account of tax or levy exemptions for energy-intensive industries, are more than twice as high as those in the USA and Russia, 20 % higher than those in China, but 20 % lower than those in Japan;

AB. whereas European industry still suffers from a significant competitive disadvantage on gas prices, mostly because of the oil price index being included in long-term contracts with Russia;

AC. whereas the price difference with other economies can have a negative impact on the competitiveness of our industry, in particular our energy-intensive industries;

AD. whereas competitive energy prices are crucial to achieve the EU’s 20 % reindustrialisation targets by 2020;

AE. whereas EU companies in the renewable energy sector, many of which are SMEs, employ 1.2 million people in Europe and have a share of 40 % of all world patents for renewable technologies, which makes the EU a global leader; whereas this leadership must be maintained in the future by means of a solid EU strategy for renewable energy;

AF. whereas, notwithstanding its global dominance in investment in renewable energy, the World Energy Outlook 2014 predicts global energy demand to grow by 37 % and global coal demand by 15 % by 2040; whereas in the EU the increase is projected to be significantly lower owing to highly successful energy efficiency improvements;

AG. whereas welfare loss owing to EU gas market inefficiency exceeds EUR 11 billion annually owing to, inter alia, a lack of infrastructure and a low level of market liquidity and transparency;

AH. whereas a more economically and physically integrated single market in energy could result in significant efficiency gains;

AI. whereas the EU energy retail market does not function properly, as in many Member States consumers have too little choice between suppliers; whereas issues of market concentration should be addressed by EU competition policy so as to enable consumers to switch suppliers and thereby increase competition and bring down prices; whereas attention should be paid to the risk that less-informed citizens, who are less likely to compare and switch providers, are left stranded with uncompetitive outdated tariffs;
AJ. whereas the full implementation of an integrated European energy market for gas and electricity is of fundamental importance for energy security and for the steps to be taken towards an Energy Union; whereas the Commission has the responsibility to ensure that all Member States implement and respect all parts of the Third Energy Package, aiming for an integrated market for electricity and gas;

AK. whereas meeting the 10% interconnection target, and ensuring better cross-border transmission capacity for electricity and gas as well as additional reinforcements of the existing grid, will increase energy security, allow for a better integration of renewable generation and balance supply and demand between the Member States while fostering price convergence to the benefit of consumers;

AL. whereas convergence and cost-optimisation is also expected from deepened regional cooperation between Member States;

AM. whereas the Energy Community is an instrument to expand internal energy market to EU’s neighbourhood countries, thus contributing to the creation of a pan-European energy space based on common principles and the rule of law;

AN. whereas the Energy Union reflects multiple calls by Parliament for the establishment of a true pan-European Energy Community, based on a strong common energy market, coordination of energy purchasing outside of the EU and common European funding of research and innovation in the area of new sustainable energy technologies;

AO. whereas the external dimension of EU energy policy needs more coherence and has not yet tapped its full potential to contribute in terms of security of energy supply and the Union’s competitiveness;

AP. whereas the 33 infrastructure projects identified in the European Energy Security Strategy should be complemented by a stronger focus on the modernisation of the electricity distribution network and on the shift from coal and gas to biomass with a view to improving the security of supply;

AQ. whereas it is recognised that carbon capture and storage (CCS) can make a decisive contribution in the fight against climate change and, specifically, can help reduce the cost of the transition to a decarbonised energy market and a low carbon economy;

AR. whereas diversification of supplies, the completion of the internal energy market, improvements in energy efficiency and savings, the further development of Europe’s energy resources, including renewable energy, and R&D activities are the key drivers of the Energy Union;

AS. whereas the exploitation of indigenous conventional oil and gas resources in full compliance with EU acquis, both in traditional production areas (e.g. the North Sea) and in newly discovered areas (e.g. the eastern Mediterranean, the Black Sea), should be promoted and supported;

AT. whereas indigenous energy resources must always be sustainable and secure;

AU. whereas the EU’s aspiration is to raise the contribution of industry to its GDP to as much as 20% by 2020, and energy at competitive price levels as well as increased energy productivity will be indispensable to achieving this ambition;
Dimensions of the Energy Union

1. Welcomes the Commission communication entitled ‘A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy’; takes note of the five pillars of the Energy Union outlined by the Commission; insists that policies pursued under these pillars must always contribute to ensuring the security of energy supply, decarbonisation, the long-term sustainability of the economy and the delivery of affordable and competitive energy prices;

2. Reiterates that energy is a public social good and that the EU should therefore focus closely on the issue of energy poverty and promote concrete measures to tackle this problem; insists, therefore, that the Energy Union should ensure equal access to energy for all, contribute to affordable energy prices for the benefit of consumers, promote connections and energy infrastructure that have a strategic role for the benefit of the people, and strengthen regulation;

3. Calls on the Commission and the Member States to ensure that all legislative proposals forming part of the Energy Union follow the ordinary legislative procedure, thus fully involving Parliament and ensuring effective democratic oversight; expects the post-2020 governance framework for the Energy Union to be ambitious, reliable, transparent, democratic and fully inclusive of Parliament, and to ensure that the 2030 climate and energy targets are achieved, in particular through the full implementation, enforcement and updating of existing climate and energy legislation; asks the Commission, without prejudice to other reporting obligations, to present on an annual basis a report on the implementation of the Energy Union, including details of the implementation of energy legislation and progress made towards meeting the 2020 and 2030 targets, to develop and update a set of key indicators to be included in the report, and to allow assessment of progress with Energy Union; such indicators could include, but are not limited to, interconnection capacity, market integration, reduction of energy imports, levels of diversification, energy prices and costs, development of community and locally-owned generation, and levels of energy poverty and vulnerability; notes the Energy Council conclusions of 26 November 2015 on the governance system of the Energy Union, and asks the Commission to present swiftly to Parliament and the Council a legislative proposal taking into account the Council conclusions and Parliament’s views as expressed in this report; agrees with the Council conclusions that the National Energy and Climate Plans covering the period from 2021 to 2030 should not only be geared towards meeting the 2030 targets, but also reflect the longer-term perspective, specifically the agreed EU objective of reducing emissions by 80-95 % by 2050 compared to 1990 levels;

4. Calls on the Member States to develop long-term energy strategies in the light of the long-term target of achieving an 80-95 % reduction of greenhouse gases by 2050, which should be matched by similar efforts undertaken by the world’s biggest polluters;

5. Recognises the inalienability of decisions taken by national referendums on energy affairs;

6. Emphasises that the Energy Union should adopt a comprehensive approach focusing on dimensions such as achievement of a fully integrated internal energy market, security of supply, best use of EU’s energy resources, moderation of energy demand, greenhouse gas reduction based essentially on renewable energy sources and an EU-wide carbon market, as well as research and innovation aiming for energy technology leadership;
stresses that citizens should be at the core of the Energy Union and be provided with secure, sustainable and affordable energy;

7. **Acknowledges** the European Council’s **weak 2030 targets** for climate and energy, **namely** to reduce greenhouse gas emissions by 40%, to increase the share of renewables in the European energy mix to 27% and to increase energy efficiency by 27%; **recalls** that Parliament has repeatedly called for binding 2030 climate and energy targets of at least a 40% domestic reduction in GHG emissions, at least 30% for renewables and 40% for energy efficiency, to be implemented by means of individual national targets;

**Energy security, solidarity and trust**

8. Calls on the Commission and the Member States to actively pursue more sustainable and competitive prices and costs of imported energy for European citizens and businesses through the diversification of supply (energy sources, suppliers and routes); to this end, calls on the Commission to promote the construction of the relevant energy infrastructure priority corridors, as specified in Annex I to the Trans-European Energy Networks (TEN-E) Regulation and Part II of the Annex I to the Connecting Europe Facility (CEF) Regulation, with a special focus on Member States with high dependency; calls on the Commission to prioritise the existing internal capacities, including Europe’s energy resources;

9. Recognises that the projects currently included in the projects of common interest (PCI) list are not enough to reach the European interconnection target between the Iberian Peninsula and mainland Europe; urges the TEN-E Regional Group and the Commission to identify additional projects to be included in the upcoming PCI 2015 list in order to significantly increase the capacity between Spain and France;

10. Underlines that well-developed and fully integrated infrastructure allowing for enhanced diversification of supplies and cross-border flows is vital for ensuring security of supply, both in normal and emergency conditions and for delivering energy from competitive sources to consumers across the European Union and the Energy Community;

11. Stresses that significant gas reserves in the North African countries and recent discoveries in the Eastern Mediterranean provide the Mediterranean region with an opportunity to emerge as a vibrant centre for a pipeline network transporting gas into Europe; calls for a Mediterranean Gas Hub with increased LNG capacities; underlines that the EU should take advantage of the opportunities that emerge from these gas reserves in order to enhance its energy security;

12. Stresses that all EU infrastructure projects aimed at diversifying energy sources, suppliers and routes must be fully in line with EU climate and energy legislation and long-term objectives and priorities, including EU energy security, while ensuring a high and efficient utilization of the already existing energy infrastructure and transit routes to the EU; calls on the Commission to consider investments that moderate energy demand, e.g. in building stock, as eligible projects;

13. Underlines that energy suppliers coming from third countries must be subject to the EU acquis, in particular EU competition and state aid legislation, while operating on the common market, and calls on the Commission to enforce EU law by all means available
in order to allow energy to flow freely in the EU and prevent distortions in the internal market;

14. Stresses that it is of utmost importance to the EU to end the isolation of Member States and regions from the internal energy market, as demonstrated by the gas stress tests carried out by the Commission; calls on the Commission, in this regard, to carry out such tests regularly; is of the opinion that the EU should help those most vulnerable countries to diversify their sources and supply routes, as a matter of priority; calls on the Member States and the Commission, in this regard, to implement without delay the recommendations of the gas system stress tests; recommends that the Commission consider carrying out ‘electricity stress tests’ in order to build an overview of the resilience of the entire energy market situation; highlights that such stress tests should identify, in particular, the status, capacity and durability of the entire national transmission network, as well as the level of interconnection and cross-border capacity, and that subsequent recommendations, based on such stress tests, must include full impact assessments of both national plans and Union objectives in addressing any action points arising from these;

15. Notes that, in the context of the future Energy Union, quantitative and qualitative security of energy supply and competitiveness are amongst the most pressing issues requiring Member States to upgrade their coordination and cooperation at EU level with their neighbours when developing their energy policies; calls on the Commission, in this respect, to examine how the current architecture of national preventive and emergency response measures could be improved at both regional and EU level;

16. Believes that national capacity mechanisms should only be used as a last resort, once all other options have been considered, including increased interconnection with neighbouring countries, demand-side response measures and other forms of regional market integration;

17. Considers that the Energy Union entails negotiating with one voice with third countries; calls on the Commission to analyse the appropriateness and potential structure of a voluntary collective purchasing mechanism and its impact on the functioning of the internal gas market, the undertakings affected and its contribution to ensuring security of gas supply; notes that since there are several models of collective purchasing mechanisms, further work needs to be done to determine the best market-based model applicable for EU regions and suppliers concerned and for the conditions under which a voluntary collective purchasing mechanism could be launched; considers that the coordination of positions and the collective purchasing of gas should start at regional level; recommends, in the interim, that the Commission and the Energy Community Secretariat support those Member States and Energy Community Contracting Parties, respectively, that wish to negotiate energy contracts on a voluntary basis, in compliance with the EU internal market acquis and with EU competition and World Trade Organisation rules, and provide for protection of commercially sensitive information; underlines that energy contracts must be based upon market prices and competition;

18. Calls on the Commission and the Vice-President/High Representative (VP/HR) to set up a comprehensive framework for the external dimension of the Energy Union, with specific reference to the promotion of strategic partnerships with producing and transit third countries, in particular within the European neighbourhood and with regard to enlargement policies, based on shared common values and taking into account the current state of regional cooperation; previous and new strategic partnership should be
considered and explored in order to enhance dialogue and cooperation on oil and natural gas, energy efficiency and renewable sources, trade and interconnections of the Energy Union with external energy infrastructure;

19. Stresses that a genuine EU Common External Energy Policy should go hand in hand with its Common Foreign and Security Policy; urges in this context better coordination between the VP/HR and the relevant Commissioners with the goal of enhancing the coherence of EU external energy security policies; calls on the Commission, therefore, to create a stronger cluster under the leadership of the VP/HR with the position of an appointee responsible for the coordination of such policies;

20. Calls on the Commission to create a high-level reflection group on energy security, foreign policy and the Energy Union, with strong representation and involvement from Parliament and of societal stakeholders, in order to develop credible long-term demand, supply and cooperation scenarios with external partners, especially in the field of capacity building and technology exchange on renewable energy and energy efficiency and the relation between energy and human rights;

21. Expresses concern at the proposed doubling of capacity of the Nordstream pipeline and the effects this would have on energy security and diversification of supply and the principle of solidarity between Member States; highlights, in the context of the ongoing trilateral talks between the EU, Ukraine and Russia, the need to ensure long-term energy supplies to and through the Ukraine;

22. Stresses that improving energy efficiency in the EU would reduce the risk of dependency and thus reinforce the EU negotiating position in energy related matters;

23. Stresses the need for greater transparency in energy-related agreements, which could be achieved by strengthening the role of the Commission in energy-related negotiations involving one or more Member States and third countries, in particular by making it a requirement for the Commission to participate in all negotiations as an observer in order to strengthen the position of individual Member States vis-à-vis a third-country supplier involved in the negotiations, so as to mitigate the risks of abuse of a dominant position by one supplier; notes, furthermore, that the Commission should carry out ex-ante and ex-post assessments, while fully respecting commercially sensitive information, and draw up both a positive and a negative list of agreement clauses, such as export ban, destination and take-or-pay clauses, the oil indexation of gas pricing or clauses forbidding a third party making energy supplies conditional on being granted preferential access to energy transport infrastructure in the EU; points out that, under Article 13(6)(a) of Regulation (EU) No 994/2010, when concluding new intergovernmental agreements with third countries which have an impact on the development of gas infrastructure and gas supplies, Member States are required to inform the Commission, in order to enable it to assess the situation regarding security of supply at EU level; calls on the Commission to include strong ex-ante assessment provisions on commercial gas supply contracts in the revision of the Security of Gas Supply Regulation;

24. Stresses that the Commission shall be informed of all future intergovernmental energy agreements with non-EU parties in line with Decision No 994/2012/EU establishing an information exchange mechanism with regard to intergovernmental agreements between Member States and third countries in the field of energy ahead of signing in order to make sure that they comply with EU legislation, in particular with the Third Energy
Package, and do not threaten EU security of energy supply; highlights that such
discussion and consultation must serve as a tool for strengthening the negotiating power
of EU Member States and companies, while fully respecting commercially sensitive
information; considers that such discussion and consultation should not in any way
prejudice the substance and content of agreements, but ensure that they are compliant
with all relevant Union law and in the best interests of the companies and Member
States concerned; calls on the Commission to revise Decision No 994/2012/EU so as to
strengthen the information mechanism accordingly and boost the Commission’s role;

25. Calls on the Commission to prepare draft contract templates and guidelines including an
indicative list of abusive clauses in order to create a reference for competent authorities
and companies in their contracting activities; calls on the Member States to increase
their cooperation on the information exchange mechanism with regard to
intergovernmental agreements (IGAs) with third countries in the field of energy, in
order to increase transparency and leverage their negotiating power vis-à-vis third
countries, thereby securing more affordable energy for European consumers;

26. Stresses that in order to ensure a level playing field and strengthen the bargaining
position of EU companies vis-à-vis external suppliers, key features of the contracts
should be more transparent and aggregated and, on a regular basis, notified to the
competent authorities so as to gather all the necessary information which can be utilised
by both the competent authorities themselves and companies in their future
negotiations, whilst protecting the confidentiality of sensitive information; believes that
this would help ensure genuine competition in energy contracts, avoid the abuse of
dominant positions by third countries and ensure compliance with EU competition law;

27. Calls on the Commission to develop concrete actions for reducing energy import
dependency, to monitor the degree of diversification in imports and to publish regular
progress reports in this respect;

28. Emphasises that it is essential to increase the participation of European industry and
technology in the entire energy production chain, which includes not only raw materials
but also generation, refinement, storage, transportation and distribution, since these are
crucial elements for decreasing the EU’s dependence on energy imports;

29. Believes that diversity in the energy mixes of Member States, based on their respective
potential, environment, geographical location, experience, know-how and economic
costs and needs, while contributing to the common goals on energy and climate strategy
and policies, is an asset to the EU as a whole, since it strengthens its resilience to supply
disruptions, enables it to make cost-optimal energy choices and allows different
technologies to develop and compete on the market, thereby driving down the costs of
energy; insists, however, that national diversity must not represent a barrier to the single
market, and Member States must fully comply with state aid rules, make appropriate
investments in their domestic transmission infrastructures and ensure high levels of
interconnectedness and resilience in their national energy systems in order to deliver on
the Union’s energy security and market objectives;

30. Believes that the Union can increase its energy security and reduce its dependency on
particular suppliers and fuels by increasing energy efficiency, as well as making the best
use of Europe’s sources of energy, in line with the EU’s energy security, environmental,
and climate goals as well as health and safety legislation, taking into account Member States’ specificities as regards their energy mixes and avoiding unnecessary regulatory burdens and respecting the principle of proportionality; stresses that no fuel or technology contributing to energy security and climate goals should be discriminated against as a matter of principle;

31. Calls on the Commission to facilitate the effective use of all existing EU funding schemes, including the European Fund for Strategic Investments, so as to attract investment for key energy infrastructure projects, research and innovation in energy efficiency, renewables and the development of Europe’s internal capacities with a view to achieve the 2030 climate and energy objectives, based on a cost-benefit approach which is technology-neutral and which prioritises the internalisation of external costs;

32. Calls for the rapid mobilisation of resources for the financing of PCIs in order to build the necessary infrastructure and provide for a smooth and reliable energy supply that is not subject to any form of political pressure from outside the EU;

33. Stresses that the European Fund for Strategic Investments (EFSI) should function as a mechanism for turning infrastructure investment into a fully liquid asset class with bonds that can be pooled and traded on European and global markets; furthermore notes that institutional investors such as insurers or pension funds, which are naturally disposed to making long-term investments in real assets, would be attracted only by standardised investment products and a solid project pipeline that can guarantee sound business cases;

34. Calls on the Commission, and in particular DG TRADE, to maintain the goal of dedicating a separate energy chapter in the Transatlantic Trade and Investment Partnership (TTIP), with a view to removing US tariff and non-tariff barriers to trade concerning both liquefied natural gas (LNG) and crude oil as well as eliminating unjustified protectionist measures which could contribute to developing a more competitive environment for European business by reducing the discrepancy in energy costs on both sides of the Atlantic; calls on the Commission, in this respect, to ensure that any such energy chapter also includes provisions to increase cooperation between EU and US governmentally funded energy research programmes, particularly the US ARPA-E programme;

35. Points out that EU trade policy should aim to increase energy security in line with Article 194 TFEU, diversify the European energy mix and reduce import dependency from a single external supplier or single point of supply while respecting the relevant division of competences established in the Treaty;

36. Calls on the Commission to ensure stricter monitoring of anti-competitive behaviour and anti-dumping measures to protect European energy industries against unfair imports from third countries;

37. Deplores the fact that discussions on the modernisation of trade defence instruments are stalling in the Council despite the fact that Parliament has expressed strong support for tougher measures against unfair imports from third countries;

38. Calls on the Council to move forward with the modernisation of trade defence instruments in order to ensure that European manufacturing industries that produce
turbines, solar panels, high-quality steel and construction materials in particular, can take full advantage of the energy transition;

39. Emphasises the importance of provisions in trade agreements related to technological cooperation and services in the field of energy efficiency and decentralised production of renewable energies, including maintenance and software development; points out that decarbonisation is a common goal of the EU and many partner countries, regions and cities;

40. Calls on the Commission to encourage developing countries through international trade instruments to diversify their energy production, and to promote the production of solar energy in particular in the EU’s southern neighbourhood;

41. Welcomes the negotiations for a Green Goods Initiative between the EU and 13 other WTO Members covering products, services and technologies that contribute to green growth, environmental protection, climate action and sustainable development, calls for the completion of talks by the end of 2015 at the WTO Ministerial in Nairobi;

42. Stresses that the Environmental Goods Agreement negotiations must be based on a definition of environmental goods that is consistent with EU policies and should not contradict measures for helping developing countries adopted in the framework of the United Nations Framework Convention on Climate Change (UNFCCC);

43. Calls on the Commission to continue to press for the setting up of a system for energy exchange between the EU and the US, in light of the current and future developments in research, innovation and licensing of power line systems, such as high-voltage power connections, aimed at developing a global renewable energy sharing network;

44. Stresses that a strengthened Energy Community should be the pivotal arm of the EU’s external energy policy and invites the Commission to come forward with concrete proposals based on the report of the High-Level Reflection Group for the reform of the Energy Community;

45. Calls on the Commission and the Member States to strengthen the Energy Community activities, notably in renewable energy and energy efficiency for increased security of supply, through, inter alia, better implementation and enforcement of EU law, such as the 2020 and 2030 targets, and in particular through better governance, streamlining of procedures and better use of IT tools aimed at reducing administrative burden, enhancing its institutions, including the establishment of an Energy Community Parliamentary Assembly, and implementing key infrastructure projects, such as cross-border bidirectional interconnectors, in order to ensure better integration with the EU energy market and security of supply mechanisms without resorting to the establishment of national capacity markets that undermine the effectiveness of the internal energy market;

46. Emphasises the need to strengthen the Euro-Mediterranean cooperation on gas, electricity, energy efficiency and renewables; asks the Commission to speed up the setting up of the Euro-Med Gas Platform;

A fully integrated European energy market

47. Believes that the future Energy Union must establish a free flow of energy across EU and Energy Community countries;
Stresses that the backbone of the future Energy Union must be a fully functioning, interconnected internal energy market that delivers safe, secure, fairly distributed, socially and environmentally responsible, efficient, competitive, affordable and sustainable energy over fully functioning, secure and resilient transmission grids as well as energy demand reduction, in order to enable EU companies and consumers to access gas, electricity, and heating and cooling in the most sustainable, efficient, democratic and cost-effective way possible; considers, therefore, that the further expansion of existing market areas should be pursued; considers it fundamental to favour the integration of prosumers in the EU market and network; highlights the substantial deficiencies experienced within rural communities across the EU as a result of poor energy connectivity;

Recognises that there is currently no single market for energy in Europe, and that the resulting fragmentation within the EU’s energy markets is deeply harmful to Europe’s competitiveness and energy security;

Recalls that the energy markets distinguish themselves from the financial markets by the underlying physical assets, by which the systemic risk in the energy sector is eliminated; considers it necessary, in this regard, to implement financial regulation that also covers the energy sector in such a way that it does not distort the development of a well-functioning internal energy market;

Stresses that, in order to assess real efficiency and cost effectiveness, it is necessary to consider direct and external costs of the different energy sources, as well as the impact of all sorts of public interventions on their relative competitive position;

Believes that market-based mechanisms must be complemented by tangible and ambitious security of supply and solidarity mechanisms, such as more efficient regional and EU level crisis management, the adoption of ambitious energy saving measures and optimised use of LNG and gas storage infrastructure, primarily for the security of supply on regional scale, to be reflected in EU legislation, including the Security of Gas Supply Regulation, which must be reviewed as soon as possible;

Calls on the Commission and Member States to ensure the full implementation and enforcement of existing EU state aid, energy, environment and climate legislation; calls in particular for an assessment of the implementation of the Third Energy Package and of the benefits generated for consumers; calls for the removal of derogations from the Third Energy Package and for a swift adoption and implementation of European network codes and guidelines;

Calls on the Commission to allocate increased financial resources to the Agency for the Cooperation of Energy Regulators (ACER), and underlines that it should be authorised to recruit additional staff in order to enable the full and effective implementation of the monitoring of energy markets – to ensure integrity and transparency in energy trading and compliance with the Regulation on Energy Market Integrity and Transparency (REMIT) – as a precondition for the proper functioning of the EU internal energy market; notes that ACER’s competences should be strengthened vis-à-vis the European Network of Transmission System Operators for Electricity (ENTSO-E), the European Network of Transmission System Operators for Gas (ENSTO-G) and other bodies with essential EU functions, to ensure that it can fulfil its tasks specified in the relevant EU legislation and believes that the Agency should engage with associations representing
distribution system operators (DSOs), consumer organisations and other civil society groups;

55. Reiterates the importance of ownership unbundling as put forward by the Third Energy Package; calls on the Commission to assess to which degree national regulatory authorities (NRAs) enforce the conditions described in the opinions given by the Commission on the certification of transmission system operators (TSOs);

56. Regrets that ENTSO-E and ENTSO-G are too dependent on the budget allocation from national TSOs, which threatens their ability to act as European players;

57. Calls on the Commission to increase their regulation and surveillance of power exchanges and gas hubs market activities;

58. Highlights that in order to strengthen our emergency energy solidarity and resistance to supply disruptions, both gas and electrical energy must be exportable at all times; notes, in this regard, that current systems of cross border transmission are often hampered by decisions of national transmission operators; calls, therefore, on ACER to put more emphasis on this issue in its annual market monitoring report;

59. Points out that a fully functioning internal energy market will not be completed whilst there are Member States with electricity systems dependent on a third country operator, and stresses the importance and necessity to ensure the Baltic States’ synchronous operation within the Continental European Networks by 2025;

60. Stresses that a properly designed future model of the electricity market in the EU is urgently needed and must aim at promoting the necessary investment to guarantee supply in the long term and at a more market-based and – from the point of view of network security – optimised integration of renewable energy sources, while fully taking into account the changing nature of energy supply and demand, including the increased uptake of micro-generation, demand-response technology and the increasing share of renewable energy; notes, in this regard, the need for common standards for smart grids as a key element for ensuring a stable supply and free flow of energy across borders, thus contributing to energy security; furthermore highlights the role that developing smarter energy grids and new energy storage facilities can play in increasing the level of renewable energy sources (RES) on a European scale and ensuring that such infrastructure is developed in conjunction with regional RES hubs;

61. Calls on the Member States and the Commission, as well as the Energy Community Contracting Parties and the Energy Community Secretariat, to concentrate their efforts on driving PCIs and projects of the Energy Community interest (PECIs) forward, with a view to achieving a pan-European electricity grid and gas network with the capacity to transmit power and gas across EU countries from multiple sources; believes that the electricity grid shall be capable of diverting energy from surplus to deficit areas, thereby allowing the market to respond instantly to shortages of supply wherever they occur, compensate circadian and seasonal cycles, integrate renewables, ensure security of supply and foster the European energy market; believes that it should be envisaged to speed up the process of approving and permitting projects and to foster the upgrade of existing lines; stresses, furthermore, that such efforts must focus particularly on resolving the problems arising from energy islands;
62. Welcomes its resolution of 15 December 2015 on achieving the 10% electricity interconnection target – Making Europe’s electricity grid fit for 2020;

63. Reiterates its commitment to achieve the 10% interconnectivity target in order to complete the Internal Energy Market in EU, and welcomes the European Council’s proposal for a minimum level of electricity interconnection between Member States of 15% by 2030; acknowledges the importance of achieving a quantitative target of interconnectivity by ensuring the availability of existing national and cross-border infrastructure in order to ensure effective use of European energy sources and increased security of supply;

64. Stresses the importance of ensuring a sound, stable and predictable regulatory framework, which will enable long-term commitments and which is necessary to deliver new investments in energy infrastructure; calls on the Commission to shorten the lead time allowing projects to qualify as PCIs; stresses that the deployment of smart distribution grids needs to be facilitated through accelerated permission procedures as well as through political support and adapted regulatory frameworks for network operators that recognise the changing needs for investments and incentivise investments in ICT and automation on an equal footing with traditional grid extension;

65. Stresses that the Energy Union should also contribute towards an ‘Energy Investment Union’, ensuring that the more than EUR 1 trillion of investment required in the coming years to revitalise Europe’s economy comes from private and public investors; notes that such an ‘Energy Investment Union’ should provide opportunities for large investors as well as individual consumers and private citizens; notes that in order to create an environment which facilitates and makes the best use of private finance, investor certainty is key; insists that a stable framework can only be achieved through a strong governance system which guarantees a level playing field and stable regulatory conditions, and which fosters confidence in the private sector;

66. Emphasises that implementation of strategic infrastructure projects shall contribute to medium- and long-term aspects of energy security and be in full compliance with EU long-term decarbonisation commitments and EU environmental and other relevant legislation;

67. Calls on the Commission and the Member States to take investment in smaller-scale gas and electricity interconnectors linking neighbouring regions as seriously as investment in larger PCIs; calls on the Commission and the Member States to work closely together with regional authorities when developing these interconnectors;

68. Notes the importance of integrating the planning of energy demand and supply at the level of the EU internal energy market, with priority given to demand reduction and decentralised solutions, in order to achieve cost-optimal security of supply and avoid unnecessary or over-dimensioned infrastructure investments and stranded costs;

69. Believes that in view of the vast investment needs for ageing and inadequate distribution grids, and the majority of renewable energy sources being connected at distribution grid level, specific initiatives to foster DSO investments, including financial instruments, should be considered by the Commission and the Member States; strongly recommends that such investments be prioritised by Member States;
70. Calls on the Commission to clarify how it intends to use the EUR 315 billion Investment Plan, mixed with the other existing funds, in order to maximise the leverage potential of the EFSI and to finance infrastructures and projects necessary to complete the Energy Union;

71. Considers that strengthened regional cooperation and policies coordination is an essential step towards broader EU-wide energy market integration; supports, therefore, regional approaches, both among Member States and with the Energy Community Contracting Parties, in order to ensure security of supply and speed up market integration, including through further development of regional hubs to enhance market liquidity, primarily in the CEE (Central and Eastern Europe) region; stresses that such cooperation mechanisms could streamline political and energy market co-operation and facilitate joint decisions on essential gas infrastructure investment in the regions; believes that knowledge and information could be developed jointly on issues such as energy storage facilities, and tendering processes for liquefied natural gas (LNG) and interconnectors; recognises the important role of power exchanges in fostering liquid, transparent and secure energy trading; highlights the potential inherent within cross-border projects as a lever for EU wide solutions;

72. Supports the integration of the energy systems of candidate and potential candidate countries through a regional approach within the future European Energy Union;

73. Underlines that increased regional cooperation can contribute to enhancing energy security, improve infrastructure planning, ensure cost optimisation of integrating renewables and drive down costs for consumers;

74. Welcomes the importance the Commission attaches to enhanced regional cooperation; calls on the Commission to examine and establish what the optimum scale of electricity and gas network (and market) cooperation in the EU is; points out that in some cases Member States themselves are best placed to determine what is necessary in their territories, while in others there is clearly added value in EU-directed cooperation; points out, however, that in certain cases it has been found that, through far-reaching regional-level cooperation on shared challenges, groups of Member States have achieved results more quickly, such as in the Pentalateral Energy Forum; agrees with the Commission that existing regional arrangements can be a model for the EU as a whole;

75. Invites the Commission to come forward with a macro-regional market cooperation governance structure in which the European Parliament and national parliaments also have a role to play; notes that this regional governance should be built on existing regional geographical and market entities to achieve greatest cost optimisation, notably: (i) the Baltic Energy Market Interconnection Plan (BEMIP); (ii) South East Europe coordination initiatives; (iii) an enlarged Pentalateral Forum; (iv) the North Sea Offshore Grid initiative; stresses that the role of ACER should be strengthened in this context;

76. Calls on the Commission to realise cost-optimisation studies assessing and quantifying the benefits of regional cooperation in the aforementioned regions; believes that, based on such studies, the Commission and the Member States involved should jointly develop and implement blueprints for the establishment of these macro-regions;
77. Calls on the Commission to encourage and support regional cooperation projects between operators of electricity and gas distribution networks, which are crucial in the interest of safe, competitive and sustainable energy, by enabling assistance for the local production of (particularly renewable) energy, and for coping with technological changes (smart networks, smart meters, etc.) and with new modes of production and consumption (e.g. electric vehicles);

78. Calls on the Commission to encourage exchanges of views on energy projects between territorial entities in Europe (regions, local authorities, towns, etc.) with a view to informing and bringing together elected representatives and the general public;

79. Calls for the development of well-integrated and competitive regional electricity and gas markets that ensure the adequacy and flexibility of the energy system covering all parts of the Union; demands that the Commission act decisively and transparently against all instances of protectionism, anti-competitive behaviour and barriers to market entry and exit; emphasises the importance of ensuring stable national regulatory frameworks, address administrative barriers and streamline national administrative procedures, also to guarantee a level playing field for citizen-based projects;

80. Points out that in order to successfully balance the internal market, investment is needed not only in interconnectors but also in, inter alia, national grids, fossil fuel power plants fitted with carbon capture technology, new nuclear power plants (in those Member States that wish to have them) as a critical source of low-carbon base load power, storage capacity (such as LNG terminals), smart grids and flexible generation, in order to cope with enhanced renewable and distributed generation;

81. Stresses the need to create a legislative framework that empowers consumers and makes them active participants in the market as investors, producers and stakeholders by developing dynamic pricing and by opening markets to supply- and demand-side sources; notes that citizens’ involvement can be strengthened through, inter alia: consumer financial participation; energy cooperatives and micro-generation and storage; self-consumption; decentralisation of energy supply; the introduction of smart-grid energy systems, including smart meters; enhanced competition in retail markets; full transparency; and flexibility of prices and consumer choices;

82. Stresses that prosumers providing the grid with storage capacities should be rewarded and that they should be encouraged to consume their own green electricity production without being penalised; points out that such initiatives could contribute to a more competitive and well-functioning internal energy market, which, in turn, could help boost the resilience of local communities, create local jobs and prosperity, reduce overall consumer energy bills and help address serious social problems, such as energy poverty and vulnerable consumers; asks the Commission to gather impact assessments and best practices of measures taken at national level to fight energy poverty, and to make sure that those best practices are centralised and promoted by a dedicated European body; underlines that adequate measures have to be taken in order to guarantee data protection for consumers directly participating in the market;

83. Calls on the Commission and the Member States to facilitate further development and expansion of local and regional renewable energy sources, and of local and regional distribution networks and district heating networks, through policies that tackle existing barriers and help bring about market transformation; calls on the Commission to
propose guidelines on energy self-consumption in order to promote its use and protect the rights of consumers;

84. Calls on the Commission and the Member States to encourage self-consumption and micro-generation through renewable energy schemes targeted at the most vulnerable consumers;

85. Calls on the Commission to integrate local actors into EU energy policy, and bring forward a proposal to establish decentralised advice and capacity building centres to equip and support local authorities to deal with energy providers on an equal footing, and to support the development of local energy production through cooperatives, locally established companies, and municipal authorities;

86. Stresses the need to identify the best local practices and promote their dissemination throughout the Union, to improve coordination between local measures and European policies, and to work on issues affecting local acceptance of energy projects; proposes the establishment of a ‘European Territorial Forum’;

87. Believes that all EU consumers should benefit in equal measure from a single gas and electricity market; underlines, in this sense, that the current price differentials between national markets resulting from the lack of market integration and interconnections must no longer be tolerated; urges the Commission to quickly propose measures to achieve greater price convergence and market integration across the Union;

88. Underlines the positive impact that market integration has had on wholesale prices, and eventually retail prices, in the electricity sector; considers that the review of the electricity market design needs to better link wholesale and retail markets, and contributes to removing barriers in retail and wholesale markets and to providing choices between energy suppliers for consumers;

89. Considers that, as part of any review of the retail energy markets, serious consideration should be given to further measures to protect consumers, such as encouraging and promoting collective switching schemes, requiring energy bills to include comparisons with competitors based on historical consumption patterns, requiring suppliers to automatically place their customers on the most advantageous tariff available, and ensuring a limited, easily comparable range of standardised tariffs;

90. Calls on the Commission, when establishing its road map for the phasing-out regulated prices, to keep the possibility for price regulation and standardising tariff structures if they are meant to limit market disturbing monopoly rents or windfall profits, with a view to protecting vulnerable consumers or facilitating the comparison of tariffs of competing suppliers;

91. Calls on the Commission to monitor the evolution of final energy prices in Europe, including taxes, levies, subsidies and any other hidden costs, with a view to identifying actions that may help reduce such prices;

**Energy efficiency contributing to moderation of demand**

92. Recalls Parliament’s resolutions of 5 February 2014, 26 November 2014 and 14 October 2015, which call for three binding energy and climate targets for 2030, in particular the 40% energy efficiency target; emphasises that the post-2020 EU energy efficiency target should be binding and implemented through individual national
targets; urges the Commission to develop various 2030 energy efficiency scenarios, including at the level fixed by Parliament of 40%; urges the Council, which has called for an EU-wide target of at least 27%, to revise its objective upwards in line with Parliament’s adopted target;

93. Notes that ambitious and achievable improvements in energy-efficiency, pursued in the interests of cohesion, solidarity and cost-effectiveness, could boost energy security, competitiveness, jobs and growth, and help keep consumer expenditures low, to combat energy poverty and to meet the climate and energy objectives;

94. Calls on the Commission and the Member States to apply the ‘energy efficiency first’ principle; notes that, according to the International Energy Agency, energy efficiency is the ‘first fuel’ and represents the best return on investment of any energy resource; stresses that gains in energy efficiency, particularly the reduction of energy losses in buildings, have the crucial effect of reducing EU energy imports from third countries, given that 61% of gas imported into the European Union is used in buildings, mainly for heating purposes; calls, in this regard, for energy efficiency and infrastructure projects to be treated as key investments that are of similar importance as investments in new generation capacity;

95. Stresses that gains in energy efficiency both reduce energy bills for households and industries and decrease the EU’s dependence on imports from third countries in a significant way; underlines that there is the potential to create two million jobs as a result of energy efficiency measures by 2020, in particular in the building sector, which accounts for 40% of total EU energy demand; stresses that gains in energy efficiency are complementary to a diversification of the energy supply;

96. Calls on the Commission to identify and remove remaining barriers to energy efficiency measures, and to develop a genuine market in energy efficiency in order to foster the transfer of best practices and ensure availability of products and solutions throughout the EU, with the aim of building a true single market in energy efficiency products and services;

97. Stresses that it is necessary to increase both the depth and the rate of building renovation and the use of sustainable energy sources in heating and cooling, through the right incentives, in order to reduce energy demand; recommends the continuation of increasing energy efficiency standards for buildings, taking account of – and encouraging – technical innovation, notably the use of building information modelling and of lifecycle impact simulations of building products in public procurements; further recommends continued support for the construction of near zero-energy buildings as an additional crucial step in securing energy independence and a sustainable and secure energy system;

98. Underlines that investments in energy efficiency improvements made by the industry so far must be recognised and duly taken into account when discussing energy efficiency in the EU;

99. Believes that industry needs clear signals from policy makers in order to make the necessary investments in achieving the EU’s energy objectives; highlights, therefore, the need for ambitious targets, and for a regulatory framework that promotes innovation without creating unnecessary administrative burden, in order to best promote energy efficiency within a national context;
100. Believes that the energy-efficiency target must work alongside energy and climate goals, and must strengthen the competitiveness of the EU economy vis-à-vis its major trade partners;

101. Stresses that a revision of existing energy efficiency legislation, including the Energy Performance of Buildings Directive and the Energy Efficiency Directive, is needed alongside proper implementation of such legislation by Member States, in order to facilitate the achievement of national targets and complement those policies already in place that operate within the 2020 climate and energy framework; calls on the Commission to review the EU energy-efficiency legislation as set out in the Annex to the Framework Strategy on Energy Union;

102. 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;

103. 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;

104. Acknowledges the essential role of local authorities, companies and citizens in securing energy independence by increasing energy efficiency through: better urban planning; the development of energy-related internet and ICT technologies; the deployment of smart grids, demand-side energy management, cogeneration, alternative fuels infrastructure and heat pump applications; self-consumption; and the establishment, modernisation and expansion of district heating and cooling systems; stresses the need to encourage citizens-based initiatives, such as cooperative- or community-based renewable energy projects, to strengthen the link between citizens and energy service companies, to encourage the use of more active and sustainable travel models, to develop and implement Smart Cities solutions, to deploy future-proof distribution infrastructure to support urban eco-mobility and to promote the renovation, as well as insulation, of buildings, including by homogenous insulation; proposes that all multi-level governance partners be brought together in an operational interface that actively involves the Covenant of Mayors;

105. Considers it an absolute priority to develop financing instruments, tools and innovative models to mobilise public funds and leverage private finance at local, national, regional and European level to support investments in key energy efficiency sectors such as the renovation of buildings, while paying due attention to the specificities of long-term investments; emphasises, in this regard, the role of the European Bank for Reconstruction and Development (EBRD) and of the EFSI (managed by the EIB), and insists on the need to fully involve national promotional banks; acknowledges that these instruments need to be accompanied by targeted technical assistance; highlights the need to ensure the cost-effectiveness of energy efficiency schemes in public buildings; calls on the Commission to take all these elements into consideration when developing the ‘Smart Financing for Smart Buildings’ initiative;
106. Considers that the different range of European funds which finance energy efficiency improvements should be better orientated, and reprioritised towards making improvements among vulnerable, low-income consumers and tackling the issue of split incentives between building owners and tenants or among owners;

107. Calls on the Commission to identify, in consultation with the appropriate industry sectors and national, regional and local stakeholders, best practices for energy-efficiency financing throughout the EU and abroad, and subsequently to incorporate funding and innovative financing mechanisms in EBRD, EIB and other EU funds;

108. Stresses that developing a new energy culture is essential for meeting the energy efficiency and climate change targets; calls on the Member States to raise awareness among younger generation via suitable education modules at schools in order to build a new energy consumer behaviour;

Towards a sustainable economy

109. Recalls that the agreement reached by the European Council in October 2014 on the ‘2030 framework for climate and energy policies’ comprises a 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 2015 Conference (COP21) of the United Nations Framework Convention on Climate Change (UNFCCC) to be held in Paris in December 2015;

110. Stresses the need to achieve a comprehensive, ambitious and binding agreement at COP 21 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;

111. Recalls that limiting the rise in global temperature to an average of 2°C does not guarantee that significant adverse climate impacts will be avoided; emphasises that phasing out global carbon emissions by 2050 or shortly thereafter is necessary in order to keep the world on a cost-effective emission trajectory compatible with the below 2 °C target;

112. Believes that the development of renewable energy sources is essential to the Energy Union, taking into consideration energy costs; underlines the crucial role of renewables in the EU in attaining energy security and political and economic independence by reducing the need for energy imports; underlines the crucial role of renewables in improving air quality and creating jobs and growth; believes that renewables deliver secure, sustainable, competitive and affordable energy and play an important role in pursuing Europe’s leadership in a green economy and in developing new industries and technologies; underlines that, in this regard, the current power market design should be
more dynamic and flexible in order to integrate variable energy sources into the market; draws attention to the fact that the production costs of renewables have considerably dropped in recent years; stresses the importance of developing cross-border infrastructure and of enhancing research and innovation in developing smarter energy grids and new energy storage solutions as well as flexible generation technologies for the integration of renewables;

113. Welcomes the commitment from the Commission to make the European Union ‘the world number one in renewables’; urges the Commission to present an operational and workable strategy to this effect; calls on the Member States and the Commission to guarantee transparency, consistency, stability and continuity of regulatory renewable energy frameworks and to avoid retroactive changes in economic conditions of investments in order to strengthen investors’ confidence and to contribute to a cost-efficient deployment of renewable energy across the EU regions; stresses the need for better coordination of support schemes in line with the European Commission Guidance on the design of renewable energy support schemes in order to avoid potential market distortion, and safeguard effective support for renewables; stresses that the right market conditions for investment in energy efficiency, renewables and smart infrastructures are crucial for the reduction of greenhouse gas emissions; underlines that the Energy Union should optimise market-based instruments for the promotion of Europe’s energy sources as a means to ensure that the energy transition takes place in the most cost-effective and environmentally friendly way;

114. Stresses that the EU must ensure an internal level playing field with regard to national subsidy and state aid regimes, which does not unfairly reinforce market dominance of certain technologies and operators, in view of transforming our energy systems; welcomes, in this regard, the Commission’s report of 10 October 2014 on subsidies and costs of EU energy, and calls on the Commission to annually update this report, in order to better identify which sectors and areas are in need of additional funds, and which sectors experience market distortions as a result of subsidies;

115. Stresses the need to end environmentally harmful subsidies, which need to be identified and phased out urgently, since these subsidies are a waste of scarce public money which are used first for supporting polluting practices and later for cleaning up;

116. Stresses that the transition to a competitive and sustainable low-carbon economy offers significant opportunities in terms of new jobs, innovation, growth, and lower commercial and domestic energy bills; recognises, however, that these opportunities can only be realised through strong cooperation between the Commission, Member States, local and regional authorities, citizens and industry, leading to the most effective incentives and regulatory frameworks; notes that properly managed decarbonisation should not result in increased energy costs, energy poverty, deindustrialisation of the European economy or rises in unemployment; insists, therefore, on actively involving social partners in addressing the social impact of the transition towards a sustainable Energy Union; stresses that the EU requires EU-wide and, at the same time, market-based and technology-neutral policies that take into account all relevant legislation and the relevant EU targets, and deliver on them at the lowest cost to society;

117. Recalls that the photovoltaic industry must be at the heart of the European industrial policy to meet the demands of a growing global market in a context where the bulk of the photovoltaic cells and modules are nowadays manufactured outside the European Union, mostly in China; stresses the need for the EU to be fully part of this new
investment cycle in order to maintain its leadership in R&D, in machinery and in certain other segments such as inverters and balance of systems, and to re-establish its leadership in equipment production (cells and modules); believes that the EU should set the objective to be in a position to meet at least 20% of its own market with cells and modules manufactured domestically by 2020;

118. Recognises the benefits of increasing renewable energy in the heat market, in particular in buildings; stresses the increased flexibility of thermal infrastructure and storage in facilitating the integration of intermittent renewable sources by storing energy in the form of heat; reiterates that energy security can be increased through the development of district heating/cooling networks, which are an ideal means of integrating sustainable heat into cities on a large scale since they can simultaneously deliver heat derived from a range of sources and are not inherently dependent on any one source;

119. Calls on the Commission to ensure that Member States require minimum levels of renewable energy production on new and refurbished buildings and that renewable energy projects benefit from swift administrative and grid connection procedures, notably by enforcing Articles 13.4 and 13.1.f. of Directive 2009/28/EC and Article 7.3 of Directive 2009/72/EC; calls on the Commission to increase, when revising existing relevant legislation, the number of buildings equipped with renewable energy systems, to require one-stop-shop administrative procedures for small-scale renewable energy projects and simple notification procedures for renewable energy installations whose production is entirely self-consumed, and to create a framework for innovative grid-connection arrangements and for the trade of grid services at distribution network level;

120. Calls on the Commission to adopt an EU strategy for heating and cooling that identifies all actions and synergies needed in the residential, commercial and industrial sectors to reduce this dependency, while contributing to EU’s energy and climate objectives, achieving energy savings, reinforcing the competitiveness of the European economy, stimulating growth and jobs creation and promoting system innovation; stresses that this strategy for heating and cooling should address all five dimensions of the Energy Union;

121. Stresses that hydropower is a major, indigenous, renewable and safe energy source which accounts for 11% of all European electricity production; stresses that hydropower will therefore continue to play an important role in electricity production and storage, and will make a major contribution to de-carbonising the European economy and reducing the EU’s dependence on external energy sources;

122. Calls for specific focus on marine renewables, in line with the Commission’s communication on the Blue Economy, as an industry with great potential but which is less established than other renewable sectors;

123. Notes that integrating an increasing share of domestically produced biogas could contribute positively to energy security; underlines in this context the necessity of maintaining existing gas infrastructure for that purpose;

124. Notes that biomass from sustainable forestry could contribute to the achievement of climate and energy goals of the 2030 framework;

125. 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;

126. 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 and increasing the use of biofuels from waste and residues that do not cause additional land-use change are better options;

127. 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;

128. 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 preparation for reuse and recycling therefore has a much higher priority than incineration; points to the fact that many Member States already have an overcapacity in incineration plants; stresses the need for better planning and information-sharing and the need to prevent lock-in effects; urges the Commission to take the link between the Energy Union and the circular economy into account;

129. Recalls that European industry and SMEs are vital to the European economy and recognises that Europe’s industrial competitiveness and SMEs would significantly benefit from lower energy costs;

130. Underlines that innovation and modernisation towards more energy- and resource-efficient industrial processes contributes to strengthening the competitiveness of the EU industry; points to innovation in renewable heat technologies that could decrease imports, reduce costs and enhance system performance in the context of addressing high-temperature heat demand in industrial sectors; highlights that the significant challenge of renovation and modernisation of Europe’s building stock creates a market for high performance building materials, devices and equipment and, thereby providing a significant opportunity for European manufacturers and installers in the buildings sector to innovate and create jobs that cannot be relocated;

131. Notes that the means of achieving the 2030 climate and energy targets must be integrated into Member States’ industrial policy, taking into account the need for reindustrialisation; takes the view that the EU’s regulatory framework and EU climate and energy policies’ objectives should be consistent and bring in a more flexible, market-oriented approach in view of ensuring a resilient Energy Union, incorporating the 2030 political climate targets and reindustrialisation objectives in order to complement Member States’ industrial policy;

132. Stresses that effective use of research and technological innovations fosters the leadership of European industry and strengthens the competitive advantage and commercial viability of European business and industry, creates jobs while contributing to the main EU energy and climate policy goals, including: reduction of energy demand; security of supply; the competitiveness and sustainable development of energy production, distribution, transportation and consumption; combatting energy poverty;
the EU targets regarding greenhouse gas emissions, renewable energy resources and energy efficiency; and making the best use of Europe’s energy sources;

133. Calls on the Commission to safeguard the competitiveness of the energy intensive industries and to ensure long-term planning security for industrial investments, which shall reflect the Commission’s aspiration of raising the contribution of industry to GDP to as much as 20 % by 2020;

134. 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 should include, as long as no comparable efforts are undertaken in other major economies, tangible and more harmonised measures at EU level on carbon leakage;

135. 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;

136. Stresses that ETS revenues should be utilised in particular to support low-carbon innovation, energy efficiency and other CO₂ reduction measures;

137. Recognises that Europe’s energy and efficient technologies, such as cogeneration, would make a fundamental contribution to EU energy security and the achievement of greenhouse gas emission targets; believes, in this respect, that the Energy Union must reflect the right for the Member States to use any safe and sustainable low-carbon energy sources at their disposal;

138. While recognising that the energy mix is primarily a Member State competence, acknowledges the public concerns about hydraulic fracturing and the consequences this technology might entail for the climate, environment and public health and for the achievement of the EU’s long-term decarbonisation goal; recognises, furthermore, that the limited potential of unconventional fuels to help meet the EU’s future energy demand, coupled with high investment and exploitation costs and the current low global oil prices, means that it is questionable whether hydraulic fracturing can be a viable technology in the European Union; believes that public concerns must be properly addressed and that any hydraulic fracturing activities should comply with the highest climate, environmental and public health standards; asks those Member States which intend to pursue hydraulic fracturing to respect the 2014 Commission recommendation on minimum principles for the exploration and production of hydrocarbons (such as shale gas) using high-volume hydraulic fracturing;

139. Calls on the Commission and the Member States to actively pursue the decommissioning of obsolete, most polluting or unsafe energy plants, also aiming at reducing the current overcapacity of the market;

140. Calls on the Commission to improve the conditions for deployment of CCS; believes that CCS could aid in the transition to a low-carbon energy market, and that it could have an important role in reconciling the Energy Union’s divergent objectives of a diverse, secure energy supply which simultaneously achieves the reductions in greenhouse gas emissions needed to meet the EU’s Roadmap 2050 targets;
Believes that decarbonisation technologies such as CCS and Carbon Capture and Use (CCU) will need to be further developed and improved through considerable research and innovation efforts, to ensure that such technologies are available to lessen, or even annihilate, the environmental footprint of fossil fuels, which still make up more than 40% of the EU’s current energy production and which are likely to remain an important energy source in the future;

Calls on the Commission to set up the NER400 Innovation Fund, which should support low-carbon demonstration projects, building on the NER300 programme for CCS and renewables, but extending its scope to low-carbon innovation in industrial sectors;

Notes that nuclear power provided 27% of the EU’s electricity mix and over half of all EU low-carbon power in 2014, that 130 out of 132 EU nuclear plants are due to be decommissioned by 2050, leaving a major gap in low-carbon base load power in the EU electricity mix; recognises that while some Member States have chosen to move away from nuclear power, others are looking to develop new nuclear power projects in order to meet their national and EU energy and climate objectives, and calls on the Commission to ensure the EU provides an enabling framework for those Member States that wish to pursue new nuclear power projects to do so, within EU internal market and competition rules;

Notes that nuclear power is one of the most important contributions of the European energy system, providing for lower CO₂ emissions while simultaneously limiting import dependence, securing a stable production of electricity that can serve the internal market and provide a stable base for an energy system where renewables can be phased in;

Calls on Member States that are phasing out nuclear power to make certain that it is replaced with a mode of energy production that can contribute commensurately to the energy supply and to stabilising the common system for production and distribution;

Believes that while it is for Member States to determine their energy mix and while it is a sovereign decision of each Member State on how to decarbonise its economy, EU level coordination of policies and technological development is necessary in order to deliver on Europe’s and Member States’ climate and energy targets; recognises that in certain areas EU-level policies are the most effective, and that in other areas close cooperation and coordination between Member States is crucial; recognises that a strong and reliable governance process is needed to guarantee such coordination;

Calls on the Commission to put forward proposals for establishing a Modernisation Fund, which should have strict criteria and guidance to ensure that funding is targeted at genuine energy modernisation projects, to be selected on the basis of a technology-neutral approach and of whether they are demonstrably consistent with attainment of the EU’s 2030 greenhouse gas objectives;

Stresses that the EIB should be involved in establishing previously mentioned criteria and guidance for the Modernisation Fund;

Calls on the Commission and the Member States to ensure that the development of the Energy Union ensures environmental and climate protection, improved air quality, reduced external energy dependency, biodiversity, employment and the competitiveness of European industry based on technology innovation and leadership;
150. Emphasises that energy must be made affordable to all citizens of the EU; considers that avoiding unnecessary consumption by undertaking efficiency improvements, stronger interconnections, higher market integration and sustainable energy investment, particularly in buildings, would enable many households to access, on equal conditions, a single, sustainable, competitive and secure energy market and escape energy poverty, which in 2012 affected one in four EU citizens; invites the Commission to present a communication on energy poverty in Europe, accompanied by an action plan to fight against it, which contains a definition and indicators of energy poverty;

Moving towards energy-efficient and decarbonised transport sector

151. Estimates that transport represents over 30% of final energy consumption in Europe and that 94% of transport relies on oil products; considers, therefore, that a cleaner energy system, with a clear link to the decarbonisation of the transport sector, should be at the core of a framework strategy for a resilient energy union with a forward-looking climate change policy; stresses that combining measures to promote energy efficiency and renewable energy, and develop innovative energy technologies, is of crucial importance to efforts to achieve an environmentally sustainable energy mix for European transport systems; considers that the use of varied renewable energy sources should be encouraged, including liquefied natural gas for heavy load vehicles and in the maritime sector; urges the Commission to make proposals for the elimination, where appropriate, of environmentally harmful tax subsidies; encourages support for research and innovation aimed at finding technologically better mobility solutions, as well as solutions in the area of supporting technologies and policies;

152. Notes that decarbonising the transport sector implies the integration of measures across policy areas in the energy, transport, trade, and research and innovation domains; highlights the importance of coherent approaches across borders to prevent national fragmentation, and stresses the need to set standards and interoperability requirements that enable European businesses to take advantage of market opportunities;

153. Notes that improved vehicle performance standards and fuel efficiency are crucial both for reducing EU oil dependency and for cutting greenhouse gas emissions, and calls, therefore, on industry, the Member States and the Commission to continue and accelerate their efforts in this field, ensuring that, in light of recent scandals, emission testing is not only accurate, but also reflects real-world driving conditions; asks the Commission to review the CO₂ emission standards for cars and vans for the period beyond 2020; notes, however, that the long-term solution for cutting transport emissions, and ensuring energy demand reduction and diversification of supply, lies in alternative fuels, in electrification with renewable electricity and in the promotion of more sustainable modes of transport;

154. Supports a comprehensive road transport package promoting more efficient framework pricing of infrastructure and the roll-out of intelligent interoperable transport solutions; stresses that energy efficiency can be improved by supporting digitalisation and the use of intelligent transport systems, and by developing innovative transport services; calls for a forward-looking research and innovation strategy for the transport sector; supports the development of sustainable urban and rural mobility plans to reduce traffic pollution, congestion, noise and road accidents; believes that such plans should aim to eradicate inequalities in terms of disabled users and costs;
Welcomes the shift towards the most sustainable and energy-efficient modes of transport and transport routes, such as rail, short-sea shipping, inland navigation and maritime transport by making them more competitive and efficient in terms of reducing CO₂ emissions; highlights, in this regard, the importance of intermodality;

Calls on the Commission to put forward a comprehensive road transport strategy, as part of the decarbonisation of the transport sector, and to support greater efforts towards the development and deployment of electric mobility for road transport;

Points out that the deployment of electric vehicles will impose a heavy burden in terms of electricity generation, and calls for assessments to be made in order to determine how far the existing generating capacity will be able to cope;

Calls on the Commission to revise the fuel consumption and CO₂ labelling scheme for passenger cars to ensure that consumers are provided with more accurate, relevant and comparable information on CO₂ emissions and 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;

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;

Calls on the Commission to accelerate the integration of advanced technologies into innovative rail by bringing forward the Shift to Rail initiative, which can play a key role in clean public transport;

Recalls that international shipping is still excluded from binding commitments to reduce greenhouse gas emissions, 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 International Maritime Organization (IMO) before the end of 2016;

Stresses the need for increased coordination of transport, heating and cooling, and power decarbonisation strategies; calls on the Commission to come forward with holistic plans for the decrease of CO₂ emissions from the transport and heating and cooling sectors, considering, inter alia, that clean and cheap power produced from variable renewable energy sources, when abundantly available, could be used to charge electric vehicles and to run heating and cooling appliances;

Stresses the need to prioritise EFSI support for transport projects that enable the technological transition towards a clean and sustainable transport system; stresses that other financial support instruments available at EU level should prioritise investment in infrastructure for intermodality, rail, maritime shipping and inland waterways;

Encourages the Commission to include in its work on harmonising certification criteria for sustainable tourism a criterion relating to renewable energy use and another relating to the reduction of CO₂ emissions, in line with the EU targets;

Research, innovation and competitiveness
165. Calls on the Commission to intensify its research efforts regarding the better use of Europe’s energy resources and the lessening of their environmental impact, with a view to ensuring sustainable economic growth, job creation, industrial competitiveness and, in particular, the long-term climate and energy targets of the EU;

166. Stresses that, in this regard, all the EU’s funding options for boosting safe and sustainable low-carbon energy technologies, energy efficiency, renewables, smart grids, decentralised production, flexible generation, electrical storage and electrification of the transport system must be fully exploited; calls on the Commission to intensify its research efforts on, and roll-out of, such technologies to meet its 2020, 2030 and longer-term objectives, and to improve its energy security and facilitate economic recovery; expects the mid-term review of the Horizon 2020 research programme to reflect these priorities; recalls that the Horizon 2020’s Energy Challenge is designed to support the transition to a reliable, sustainable and competitive energy system that has its main priorities listed under the headings Energy Efficiency, Low Carbon Technologies and Smart Cities & Communities; recalls that at least 85% of the energy challenge in the budget of Horizon 2020 is to be spent in non-fossil fuels areas, within which at least 15% of the overall energy challenge budget is to be spent on market up-take activities of renewable and energy efficiency technologies;

167. Believes that greater effort in developing such technologies can bring significant long-term benefits in terms of cost-effective decarbonisation, reduced generation costs and reduced energy demand, thus strengthening competitiveness of industry;

168. Notes the European technological leadership in key sectors such as wind turbines, electricity cables, grid development and services, urban transport systems; regrets that this leadership is under stress and calls on the Commission to take urgent actions to maintain this leadership;

169. 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;

170. Calls on the Member States and the Commission to seek for better interaction and coordination of national and European research programmes, especially in the fields of energy, transport, ICT and construction, in order to ensure that priority is given to common challenges such as increasing energy efficiency by not focusing only on the heating sector but also on cooling, promoting small-scale renewable energies, reducing greenhouse gas emissions as well as increasing energy security and developing new renewable energy sources, and to maximise the market uptake of new technologies;

171. Stresses the added value of integrating ICT in the energy system, and calls on the Commission to introduce common standards for smart grids at the transmission system level, to ensure a stable supply and free flow of energy across borders and contribute to energy security, and at distribution system level, to ensure security of supply for local communities, cities and regions; highlights, in this regard, the role that developing smarter energy grids and new energy storage facilities can play increasing the level of renewable energy sources;

172. Acknowledges that smart metering devices make a significant contribution to distribution grid services; stresses that consumers shall remain the ultimate owners of
their data, and that data transmitted to DSOs and other market operators should be anonymised in order to fully respect the right to privacy;

173. Believes that the further development of an energy internal market is intrinsically linked to the Digital Single Market; calls on the Commission to promote the connection between the Energy Union and the Digital Single Market through the maximisation of consumer access to energy services using digital platforms, and through the development of an energy internal market that is more competitive, transparent and integrated in the digital economy;

174. Calls on the Commission and the Member States to increase IT security and the protection of critical energy infrastructures that provide crucial services for consumers, particularly with regard to the development of industrial production and the increasing role of ICT in the energy sector; stresses, in this regard, the importance of the adoption and timely implementation of the Network and Information Security Directive to maintain high levels of network and information security of critical infrastructures;

175. Underlines that it should be a priority for the Member States, within the framework of Horizon 2020, to bring down the costs of sustainable, safe and less mature energy technologies, particularly those that contribute to the global reduction of greenhouse gas emissions and the achievement of the EU’s 2030 targets; calls on both the Commission and the Member States to provide a clear legal and strategic framework as well as funding opportunities for R&D initiatives and deployment projects that help the European Union achieve its climate, energy, and environmental goals and strengthen economic competitiveness; welcomes the adoption by the Commission of a revised SET-Plan; emphasises that R&D and innovation should focus on system integration of the different solutions available or under development, rather than on individual sectors and technologies separately from each other;

176. Recognises that progress in environmentally friendly, cost-effective innovations and R&D is also key to the EU’s future competitiveness, including Europe’s industry;

177. Calls on the Commission to provide an explicit mapping of the different funding and financing instruments, such as the InvestEU programme, Connecting Europe (PCIs), R&D funds, structural and investment funds, smart grid financing instruments (ERA-Net Plus), the Horizon 2020 programme (H2020), EIB, the European Energy Programme for Recovery (EEPR), the Connecting Europe Facility – Energy (CEF-E), NER 300, the Research Fund for Coal and Steel (RFCS), and Eurogia+, and to clarify the eligibility rules for each of these programmes;

Delivering the Energy Union: citizens and cities

178. Recalls the commitment from 6,000 European cities to be leaders in the energy transition notably through the Covenant of Mayors; urges the Commission to fully mobilise this network as well as other initiatives such as Smart Cities and Communities, and Energy Cities, and give them the financial and human resources to develop further; considers that parties to the Covenant of Mayors should be given priority access to European funding;

179. Stresses that active education/training and skills strategies are fundamental in the transition to a sustainable, resource-efficient economy; calls on the Member States to establish targeted citizens’ training and education programmes and to encourage local
community-led education to reduce energy demand and produce renewable energy; emphasises that the success of the Energy Union requires, on the one hand, equal access to initial as well as life-long education and training, as an essential means to respond to changing circumstances and citizens' aspirations, and, on the other hand, to the needs of the labour market; recalls that training and up-skilling programmes to enable workers to fully reap the sustainable and local job potential of renewable energy development are indispensable;

180. Instructs its President to forward this resolution to the Council, the Commission and the Contracting Parties of the Energy Community.