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which also makes it very hard for the EU to live up to its promises on making aid more predictable; maintains that a focus on specific areas offering the greatest added value should drive EU budget support throughout all phases of preparation and delivery;

57. Calls on the Commission to raise public awareness of the risks entailed by the practice of budget support and to highlight the positive impact of budget support on partner emancipation;

58. Calls on the EU and its Member States to continue to promote and preserve their financial support and at the same time to provide consultative support for technocratic management of public finances;

59. Emphasises that the aims of improved coordination are to optimise the allocation of resources, enhance the exchange of best practices and boost the efficiency of budget support;

60. Considers that the Union should recognise and utilise the added value generated by its huge political weight and the potentially broad scope of its action, ensuring political influence proportional to the financial support given;

61. Instructs its President to forward this resolution to the Council and the Commission.

Energy infrastructure priorities for 2020 and beyond

P7_TA(2011)0318

European Parliament resolution of 5 July 2011 on energy infrastructure priorities for 2020 and beyond (2011/2034(INI))

(2013/C 33 E/06)

The European Parliament,

- 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 staff working document on an impact assessment on the 'Energy infrastructure priorities for 2020 and beyond – a blueprint for an integrated European energy network' (SEC(2010)1395),
- having regard to the Commission communication entitled 'Energy 2020 – a strategy for competitive, sustainable and secure energy' (COM(2010)0639),
- having regard to the Commission communication entitled 'Europe 2020 – a strategy for smart, sustainable and inclusive growth' (COM(2010)2020),
- having regard to the Commission communication entitled 'Renewable energy – progressing towards the 2020 target' (COM(2011)0031),
- having regard to Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC ⁽¹⁾,

⁽¹⁾ OJ L 140, 5.6.2009, p. 16.

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- having regard to the Commission communication entitled ‘Analysis of options to move beyond 20 % greenhouse gas emission reductions and assessing the risk of carbon leakage’ (COM(2010)0265),
- 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 third legislative package concerning the internal market in the field of energy and entitled ‘Energising Europe: A real market with secure supply’ ⁽¹⁾,
- having regard to Regulation (EU) No 994/2010 of the European Parliament and of the Council of 20 October 2010 concerning measures to safeguard security of gas supply ⁽²⁾,
- having regard to the Commission communication entitled ‘A resource-efficient Europe – flagship initiative under the Europe 2020 strategy’ (COM(2011)0021),
- having regard to Decision No 1364/2006/EC of the European Parliament and of the Council of 6 September 2006 laying down guidelines for trans-European energy networks and repealing Decision 96/391/EC and Decision 1229/2003/EC ⁽³⁾,
- having regard to Regulation (EC) No 663/2009 of the European Parliament and the Council of 13 July 2009 establishing a programme to aid economic recovery by granting Community financial assistance to projects in the field of energy ⁽⁴⁾,
- having regard to the report from the Commission on the implementation of the trans-European energy networks in the period 2007-2009 (COM(2010)0203),
- having regard to its resolution of 6 May 2010 on mobilising information and communication technologies to facilitate the transition to an energy-efficient, low-carbon economy ⁽⁵⁾,
- having regard to the Commission communication to the European Council and the European Parliament entitled ‘An energy policy for Europe’ (COM(2007)0001),
- having regard to the Commission communication to the Council and the European Parliament entitled ‘Priority Interconnection Plan’ (COM(2006)0846),
- having regard to Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC ⁽⁶⁾,
- having regard to Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC ⁽⁷⁾,
- having regard to its resolution of 25 November 2010 on ‘Towards a new Energy Strategy for Europe 2011-2020’ ⁽⁸⁾,

⁽¹⁾ OJ L 211, 14.8.2009.

⁽²⁾ OJ L 295, 12.11.2010, p. 1.

⁽³⁾ OJ L 262, 22.9.2006, p. 1.

⁽⁴⁾ OJ L 200, 31.7.2009, p. 31.

⁽⁵⁾ OJ C 81 E, 15.3.2011, p. 107.

⁽⁶⁾ OJ L 211, 14.8.2009, p. 55.

⁽⁷⁾ OJ L 211, 14.8.2009, p. 94.

⁽⁸⁾ Texts adopted, P7_TA(2010)0441.

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- having regard to its resolution of 15 December 2010 on revision of the Energy Efficiency Action Plan ⁽¹⁾,
 - having regard to its resolution of 17 February 2011 ⁽²⁾ on Europe 2020,
 - having regard to Article 194 of the Treaty on the Functioning of European Union,
 - having regard to Article 170 of the Treaty on the Functioning of European Union, under which the Union is required to contribute to the establishment and development of trans-European networks in the areas of transport, telecommunications and energy infrastructures,
 - having regard to Rule 48 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 and the Committee on Regional Development (A7-0226/2011),
- A. whereas our major energy challenges are confronting climate change, strengthening energy security and autonomy while reducing the overall energy use as well as fossil fuel imports and dependency, diversifying energy suppliers and sources, achieving a competitive internal energy market and ensuring universal access to sustainable, affordable, safe and efficient energy,
- B. whereas the common energy policy at EU level has been built around the shared objective of ensuring the uninterrupted physical availability of energy products and services on the market, at prices that are affordable for all consumers (domestic and industrial),
- C. whereas it is necessary to ensure security of supply and the consolidation of solidarity between Member States in situations where a Member State is confronted with an energy crisis,
- D. whereas the Lisbon Treaty provides a specific legal basis for developing an EU energy policy promoting the successful interconnection of energy networks between Member States across national and regional borders, which is necessary to achieve the other EU energy policy and solidarity objectives (functioning of the energy market, energy efficiency and renewable energy, security of supply and diversification of energy sources and forms of supply),
- E. whereas a lack of timely modernisation, upgrading, interconnection and adjustment of the Union's energy infrastructure to a more sustainable and efficient energy production, transmission and consumption model could jeopardise its capacity to achieve the energy and climate objectives for 2020 – especially those of integration and increasing the share of renewable energy sources – and undermine the EU's 2050 long-term objective of reducing greenhouse gas (GHG) emissions by 80 % to 95 %,
- F. whereas infrastructure investment planning and the decisions to be taken in association with it need to be supported by long-term scenarios that take into account expected achievements and additional technical development needs,
- G. whereas further integration of renewable energy sources will require some adaptations of the European energy infrastructure at both transmission and distribution levels,

⁽¹⁾ Texts adopted, P7_TA(2010)0485.

⁽²⁾ Texts adopted, P7_TA(2011)0068.

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- H. whereas an open, transparent, integrated and competitive EU energy market is needed in order to achieve competitive energy prices, security of supply and sustainability and efficient large-scale deployment of renewable energy, and whereas the completion of such a market still remains an important challenge for all Member States,
- I. bearing in mind the crucial importance of timely and full implementation of existing legislation, including the regulatory work called for by the third internal energy market package and the adequate notification of investments in energy infrastructure, pending the judgment of the Court of Justice ⁽¹⁾, in order to have an overview of potential gaps in demand and supply, as well as obstacles to investment,
- J. whereas interconnection capacity or its availability between Member States still remains insufficient in one third of the Union, according to the 10 % interconnection target set at the 2002 European Council and whereas certain Member States and regions still remain isolated and dependent on a single supplier, which prevents the real integration of markets, liquidity and energy flows,
- K. whereas the special requirements of natural islands and outermost regions, such as the Canary Islands, Madeira, the Azores and the French Ultra-Peripheral Regions (RUPs), should be taken into consideration in terms of energy infrastructure,
- L. whereas in south-east Europe the energy transport network is less dense than in the rest of the continent,
- M. whereas alternative supply and transit routes and new interconnections are important in order to ensure that solidarity between Member States becomes operational,
- N. whereas special focus should be placed on projects not yet finalised that have been selected by the EU as priority projects in accordance with Decision 1364/2006/EC of the European Parliament and of the Council of 6 September 2006 laying down guidelines for trans-European energy networks and repealing Decision 96/391/EC and Decision 1229/2003/EC,
- O. whereas the third energy package has created a legal framework which should improve competitiveness in the energy market,
- P. whereas energy infrastructures planned today must be consistent with market needs and with long-term EU climate and energy objectives and their implementation in the various national energy policies, giving priority to those energy sources with no societal and environmental cost,
- Q. whereas, with regard to gas and electricity, a reinforcement of investment in transmission capacity is needed while bearing in mind the EU 20-20-20 energy objectives and the new, highly decarbonised energy environment beyond 2020,
- R. whereas building energy infrastructure is of strategic importance with a view to meeting the Strategic Energy Technology (SET) Plan targets,

⁽¹⁾ Case C-490/10 Parliament v Council, regarding Regulation (EU, Euratom) No 617/2010 on the notification of investment projects in energy infrastructure.

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- S. whereas energy efficiency offers a powerful and cost-effective tool for achieving a sustainable energy future: by reducing energy demand, it can also lessen import dependency and the relocation of plants in response to rising costs and, through smart investments in existing and new infrastructures, it can reduce the need for public and private investment in energy infrastructure,
- T. whereas smart grids provide an important opportunity to establish an efficient relationship between energy production, energy transmission, energy distribution and end-users, allowing rational energy consumption and therefore increasing energy efficiency,
- U. whereas the reinforcement of interconnection capacity between gas systems along the south-western axis in the North-South Corridor will enable both the LNG import capacity and the underground storage capacity of the Iberian Peninsula to contribute to EU security of supply, while providing an important step towards a truly integrated internal energy market,
- V. whereas lengthy authorisation procedures and a lack of coordination between administrative bodies can result in major delays and additional costs, especially in cross-border projects,
- W. whereas lengthy permit-granting procedures and the lack of cost-allocation methodologies and instruments for sharing the benefits and costs of cross-border energy infrastructure projects are a major impediment to their development,
- X. whereas a high-quality public debate must be guaranteed and European environmental legislation must be duly taken into account,
- Y. whereas regulators play an important role in the creation of a consumer-orientated, integrated and competitive internal energy market,
- Z. whereas, according to the Commission communication entitled 'Energy infrastructure priorities for 2020 and beyond – a blueprint for an integrated European energy network', EUR 200 billion will be needed during the coming decade in order to finance energy infrastructure requirements, and whereas half this amount must be provided by the Member States,
- AA. whereas market-based tools and the user-pay principle remain the basis for financing energy infrastructure, and whereas, transparently and on case by case basis, a limited amount of public finance will be required to fund certain projects of European interest, which are not strictly commercially viable, whilst defending a level playing field in the European internal energy market, guaranteeing security of supply, preventing distortions of competition and promoting the efficient integration of renewable energy,
- AB. whereas there is a need to carry out large-scale investment as soon as possible,
- AC. whereas a crucial role is played by regional authorities in that they are major players in energy matters, given their responsibilities in a number of activities concerned with general and regional planning, granting permits, granting authorisations for major infrastructure projects, investment, public procurement, production and the fact that they are close to consumers,

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Strategic planning of energy infrastructure

1. Underlines the fact that public authorities have the overarching responsibility to serve the public interest by fulfilling societal and environmental goals, but that the main responsibility for the development of energy infrastructure should rest with a properly regulated market;
2. Stresses the crucial importance of timely, correct and full implementation of existing legislation, including the regulatory work called for by the third internal energy market package, in order to achieve an integrated and competitive European internal market by 2014 at the latest;
3. Emphasises the need to implement current policies and regulations so that the existing energy infrastructure is better utilised for the benefit of the European consumer; calls on the Commission and the Agency for the Cooperation of Energy Regulators (ACER) to monitor more strictly the national implementation of rules such as those concerning the use-it-or-lose-it principle;
4. Believes that an EU approach – developed in cooperation with all stakeholders – is needed in order fully to exploit the benefits of new infrastructure, and stresses the need to develop a complementary harmonised method, in line with the rules of the internal market, for the selection of infrastructure projects; considers that this method should take into consideration the European and regional perspectives in order to remove disparities and to optimise the socio-economic and environmental effects;
5. Stresses that the planning of energy infrastructure projects should comply fully with the precautionary principle; action plans should be subject to thorough environmental impact assessments on a case-by-case basis, taking into account local and regional environmental conditions;
6. Stresses the need to ensure an adequate degree of security of energy supply for the EU, and to develop favourable relations with non-EU energy supplying and transit countries by means of cooperation in connection with regional and global energy supply transport systems;
7. Stresses that the reference scenario used for assessing the energy infrastructure for 2020 needs to be transparent and consistent with the overall energy policy objectives enshrined in Article 194 of the Treaty on European Union and the EU's 2050 roadmap, with other EU policies (such as transport, buildings and the Emission Trading Scheme (ETS)), with the energy efficiency policies required to deliver the 20 % energy savings target (in particular the energy efficiency plan), with the potential impact of technological advances, notably for renewable energy and the increasing role of electric vehicles, and with the deployment of smart grids and the 'smart cities and regions' initiatives;
8. Supports the prompt launch of the 'Intelligent cities' partnership for innovation, and calls on relevant partners involved in planning processes for sustainable urban development to better promote and profit from the benefits that the JESSICA and ELENA initiatives can provide for investments in sustainable energy at local level, with a view to helping cities and regions embark on viable investment projects in the fields of energy efficiency, clean-burning and renewable energy sources, and sustainable urban transport; points out furthermore the potential of cross-border funding with neighbouring countries in the framework of the European Neighbourhood and Partnership Instrument (ENPI);
9. Emphasises the need to identify, according to a hierarchy of importance and in the interest of cost-effectiveness, where infrastructure could be minimised through energy efficiency policies, where existing national and cross-border infrastructure can be upgraded or modernised and where new infrastructure is needed and can be built alongside existing energy or transport infrastructure;

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10. Considers that the reduction of energy consumption and of polluting emissions, and enhanced energy efficiency can be achieved by implementing programmes for greater energy efficiency in the buildings and transport sectors;
11. Highlights the importance of identifying potential future gaps of energy demand and supply, as well as potential forthcoming deficiencies in the production and transmission infrastructure;
12. Underlines the importance of harmonising the EU market design and the development of common European infrastructure schemes in order to assure the management of the internal European interconnections and the interconnections with third countries;
13. Considers that the development of electricity infrastructure between the EU and third countries, and in some cases existing electricity infrastructure, can create a risk of carbon leakage or increase that risk where it is already present; calls on the Commission to evaluate this possibility and to bring forward, if necessary, measures by which the EU could address this effectively such as requiring conformity with Directive 2009/28/EC on renewable energy;
14. Calls on the network operators, the regulatory authorities, including ACER, and the Commission to create, in cooperation with network operators and authorities in third countries, the necessary conditions to ensure compatibility and stability between the EU's electricity infrastructure and that of third countries, with the aim of enhancing Member States' energy security;
15. Stresses that there should be a focus not only on cross-border projects but also on internal transmission systems, which are crucial for the integration of energy markets, the integration of renewable generation and system security, the end of energy islands and the relief of internal bottlenecks that have an impact on the European power system as a whole; underlines the importance of guaranteeing that remote regions and their local needs are duly taken into account;
16. Stresses the need for new infrastructure which will put an end to energy islands and single supplier dependency and will enhance security of supply;
17. Stresses that no region, including island regions, of the EU Member States should remain isolated from the European gas and electricity networks after 2015 or see its energy security jeopardised by lack of appropriate connections;
18. Welcomes the Commission's efforts to promote regional cooperation and calls for further guidance on such regional initiatives;
19. Draws attention to the opportunities which existing EU regional cooperation arrangements present for developing and intensifying cross-border energy infrastructure projects, particularly relating to renewable energy, and urges that the regional cooperation instruments (Euregios, EGTCs) be used for this purpose;
20. Takes the view that regional initiatives should be expanded and further developed, since they tie in most closely with the way in which the energy system operates in individual regions (e.g. the structure of regional generation sources, wind energy, grid limitations and the availability of energy sources);
21. Emphasises that cooperation between municipalities and regions on a national and European level contributes to eliminating energy islands, to the completion of the internal energy market and to the implementation of energy infrastructure projects; takes the view that the European territorial-cooperation objective of cohesion policy, as well as macro-regional strategies, can increase cooperation opportunities for cross-border projects with a view to achieving efficient and intelligent interconnections between non-conventional local and regional energy sources and large energy grids; underlines the fact that appropriate

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coordination of infrastructure projects can guarantee the best possible cost-benefit ratio and maximise the efficiency of the EU funds; considers, in this context, that regional cooperation should be improved, in particular with a view to ensuring a proper connection between the priorities established and the European regions;

22. Asks the Commission and the Member States to establish measures to ensure that transmission system operators (TSOs) are properly incentivised to examine possible interconnectors from a regional or European perspective and that their investment plans are based on the socio-economic effects of energy interconnectors rather than purely on project economy, thereby avoiding under-investment in transmission capacity;

23. Calls on the Commission to submit, by the end of 2011, proposed solutions to the trade-offs described by the European coordinator Georg Wilhelm Adamowitsch in his third annual report, of 15 November 2010, for example that between the urgent need for new infrastructure and rigid environmental protection rules;

24. Calls for steps to be taken to ensure compliance with international agreements, such as the Espoo Convention, before cross-border projects are undertaken or further developed, and draws attention, in the context of the expansion of energy networks, to the need to foster closer cooperation, in particular between Russia and Belarus and the Baltic States, and, in that connection, to develop the EU-Russia energy dialogue, in particular with a view to achieving the objective of energy security for the EU Member States and regions;

25. Welcomes the Commission's decision to introduce 'stress tests' for Europe's nuclear power plants; considers that future legislative initiatives to set up a common framework for nuclear safety are essential in order continuously to improve safety standards in Europe;

26. Notes that significant risks are associated with energy infrastructure, including operational risks (e.g. congestion and discontinuity of supply), natural risks (e.g. earthquakes and floods), environmental risks (e.g. pollution, and habitat and biodiversity loss) and anthropogenic/political risks (e.g. safety risks and terrorism); therefore calls for decisions on the development of smart grids to be implemented, as provided for in Directive 2008/114/EC on critical infrastructures; suggests that the Member States draw up a risk map as a tool for decision making and monitoring the results of smart grid implementation in order to improve the interconnectivity of grids;

27. Urges the Commission to assess the possibility of including in the energy infrastructure priorities projects that would enhance the safety and security of existing major energy infrastructures in Europe (gas and oil pipelines, electricity grids, nuclear power stations, LNG terminals etc.) against accidents and natural or human-induced disasters;

A comprehensive infrastructure development scenario

28. Considers that the Ten-Year Network Development Plan (TYNDP) identifies relevant electricity and gas infrastructure projects and should contribute to setting the priorities for the selection of projects of European interest to be developed in order to achieve EU energy and climate goals, without interfering with the functioning of the internal market; takes the view, in this regard, that interconnection capacity should be considered at the same level as the 20-20-20 targets, and that, accordingly, the TYNDP should be understood as the instrument for monitoring compliance with the 10 % interconnection target;

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29. Calls on the Commission, with a view to ensuring better governance of future EU electricity and gas infrastructure planning, to present a concrete proposal to improve transparency and public participation in determining EU priorities, within a broader stakeholder participation process (including, for example, the energy sector, independent experts, consumer organisations and NGOs); considers the publication of technical planning data as key in ensuring this participation;

30. Considers that attention has to be paid to the ownership of EU energy infrastructure by foreign companies, or their subsidiaries, without a transparent management structure and subject to undue influence from foreign governments; calls on the Commission to present proposals to put in place adequate legal and institutional safeguards in this respect, in particular with regard to access to EU public funding;

31. Considers that the TYNDP contributes to the rolling programme for developing European gas transport and electricity transmission infrastructure within a long-term European planning perspective and with monitoring by ACER and the Commission, taking due account of the relevant provisions of the Third Internal Market Package;

32. Underlines that this bottom-up approach needs to be complemented by a well structured top-down view with a European perspective;

33. Stresses that fostering the building of transmission and distribution infrastructure for efficient and intelligent integration of renewable energy and new electricity uses (such as electric or plug-in hybrid vehicles) is critical for the successful achievement of overall energy objectives; welcomes the priority given to the future European super-grid and the pilot projects endorsed by the Florence Forum; asks the Commission to consult all relevant stakeholders with a view to speeding up the identification of electricity highways as an integrated hub-based grid infrastructure in order to optimise connectivity, system resilience and operational flexibility and to reduce costs, without excluding any wider European geographical territory, and calls the Commission to present an outline to Parliament by mid-2014, which addresses as fully as possible the specific needs arising from the transmission of renewable energies;

34. Points out that the geographical obstacles inherent in their location make islands and mountain areas very difficult to integrate into the EU energy network; calls, therefore, on the Commission to take into account the diverse circumstances in the regions and to focus expressly on regions with specific geographical and demographic characteristics, such as islands, mountain regions and regions with low population density, in order to achieve greater diversification of energy sources and the promotion of renewables so as to reduce dependence on imported energy; urges the Commission to include among its energy infrastructure priorities for 2020 the special situation of island energy systems;

35. Stresses that there is a need for transversal policy coherence with regard to energy infrastructures and their relation with the maritime spatial planning framework and that this could also be useful for embedding large offshore wind park projects in an overall strategy;

36. Reminds the Commission, however, that every Member State should also be given support to be a producer, as well as a consumer, of sustainable energy, for both security and economic reasons;

37. Maintains that developing regional power generation is an important means of guaranteeing self-sufficiency in energy in the various parts of Europe, especially in the Baltic region, which remains isolated and dependent on a single source of supply; notes that the regions have a wide range of resources to tap, including the possibilities offered by natural resources, and that the aim in future should be to exploit these to the full in order to diversify energy production;

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38. Endorses the importance of efficient gas infrastructure in enhancing diversification and security of supply, in contributing to better internal energy market functioning, and thus in reducing energy dependence, while respecting the need substantially to reduce emissions from the energy sector by 2050; highlights the need for additional and correct implementation of flexibility requirements in gas infrastructure, in particular with a view to ensuring reverse flows and interconnections, and stresses that gas infrastructure should be developed, with full account being taken of the contribution of LNG and CNG terminals, transport ships and storage facilities, as well as the development of gasified biomass and biogas;

39. Welcomes the Commission's announcement that natural gas will take on an important role as a backup fuel; stresses, however, that other forms of energy and energy storage facilities will also have to take on this role if security of supply is to be ensured; underlines the fact that a broad energy mix will continue to be the basis for secure, cost-effective energy supply;

40. Notes that, in contrast to all other infrastructure investment which the EU plans to incentivise, gas interconnections and storage under the 2009 Security of Gas Supply Regulation are compulsory infrastructure; asks the Commission to evaluate whether some EU funding of the infrastructure improvements required under the 2009 regulation is needed;

41. Urges the Commission to evaluate unconventional gas sources, taking into account legal issues, life-cycle assessment, available reserves, environmental impact and economic viability; asks the Commission to conduct, on the basis of the principle of equal treatment of primary energy sources, a thorough evaluation of the potential benefits and risks of using unconventional gas sources in the EU;

42. Considers that, although the decarbonisation of the economy will lead to a progressive decrease in fossil energy use, oil will remain a significant part of EU energy supply for many years and therefore a competitive European oil transport and refining infrastructure must be maintained during the transition in order to ensure secure and affordable product supplies to EU consumers;

43. Stresses the importance of integrated energy infrastructure planning for agricultural and small-scale rural energy sources, so as to favour decentralised energy production, market participation and rural development; emphasises the importance of priority access to the grid for renewables, as outlined in Directive 2009/28/EC;

44. Points out the need to prepare and adapt grids for the production of forms of energy such as electricity and biogas from agriculture and forestry sources, as a result of a reformed common agricultural policy;

45. Considers that attention should be paid to new technological solutions for the use of waste energy from industry, i.e. flared gas, waste heat, etc.;

46. Emphasises the importance of infrastructure at distribution level and the important role that prosumers and distribution system operators (DSOs) play during the integration into the system of decentralised energy products and demand-side efficiency measures; points out that according higher priority to demand-side management and demand-side energy generation would considerably strengthen the integration of decentralised energy sources and would advance the achievement of overall energy policy objectives; believes that this also applies to national infrastructure projects which have a positive impact beyond the national borders in terms of supply or interconnection of the internal energy market;

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47. Urges the Commission to present, by 2012, concrete initiatives to promote the development of energy storage capacities (including multi-use gas/hydrogen facilities, smart reverse-flow electric vehicle batteries, hydropower pumping storage stations, decentralised biogas storage, high-temperature solar installations, compressed air storage facilities and other innovative technologies); suggests that the Commission assess further initiatives for energy storage in order to maximize the integration of renewable energy;

48. Considers that modernising and improving the efficiency of urban heating and cooling networks must be a priority for the EU and should be reflected and supported in relation to both the review of the existing financial framework and the future financial perspective;

49. Welcomes the CO₂ capture, transport and storage projects developed so far; calls on the Commission as a matter of urgency to draw up a mid-term report, including from a technical and economical point of view, evaluating the results obtained from the use of EU-subsidised experimental carbon capture and storage (CCS) technologies for coal-fired power stations;

50. Urges the Commission – in cooperation with all relevant stakeholders, including the relevant network and market operators – to assess critically and review, wherever necessary, the figures for investment needs given in the communication on energy infrastructure priorities, particularly in relation to demand reduction through energy efficiency measures, and asks it to report to the Council and to Parliament on the investments likely to be needed;

51. Notes that, apart from the capital and operational costs, significant environmental costs arise from the construction, operation and decommissioning of energy infrastructure projects; emphasises the importance of accounting for these environmental costs in the cost-benefit analysis using the life-cycle costing approach;

52. Considers that TSOs should be required to place all transmission lines fully at the disposal of the market, thereby preventing the reservation of transmission capacity for cross-border balancing, etc., and that this requirement needs to be established in binding legislation based on the current European Regulators' Group for Electricity and Gas (ERGEG) guidelines on good practice;

53. Supports enhanced cooperation between Member States towards the creation of regional regulatory authorities for a number of Member States; welcomes similar initiatives towards creating single regional TSOs;

54. Calls on the Commission and ACER to pursue the task of creating a common European intraday market by 2014, as this would allow for the free exchange of power on all transmission interconnectors between countries and/or different price areas;

Smart grids

55. Believes that energy infrastructure should become more end-user-oriented, with a stronger focus on the interaction between distribution system capacities and consumption, and emphasises the need for real-time, two-directional power and information flows; points to the benefits of a new gas and electricity system incorporating efficient technologies, equipment and services such as smart grids, smart meters and interoperable ICT-operated load-side and demand-side energy management services, involving the development of innovative and dynamic pricing formulas and demand-response systems for the benefit of consumers;

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56. Stresses the need to promote the development of user-friendly technologies and demand-side management so as to ensure the deployment of smart grid technologies and demand-response systems and to achieve the full benefit of smart grids for all stakeholders;

57. Stresses that the roll-out of smart grids should be one of the energy infrastructure priorities with a view to achieving EU energy and climate objectives, as it will help the integration of distributed renewable generation and electric cars, the reduction of energy dependence, the improvement of energy efficiency and the development of electric-system flexibility and capacity; believes that smart grids offer a unique opportunity to boost innovation, job creation and the competitiveness of European industry, with particular reference to SMEs;

58. Asks the Commission to facilitate the urgent deployment of large smart-grid demonstration projects as the best way to measure the costs and benefits to European society; notes that, in order to share the risk of the investment needed for these projects, public funding is required under a public-private partnership framework, which is effectively offered by the European Electric Grid Initiative (EEGI);

59. Notes that smart grids are a result of convergence between electricity and information and communications technologies, and that consequently special attention must be paid to cooperation between these two sectors, e.g. with regard to the efficient use of radio spectrum across Europe and to the understanding of smart energy functions in the planning of the future 'Internet of Things'; asks the Commission to establish a cooperation plan among the different units involved (DG Research, DG Energy, DG INFSO, etc.) so as to ensure the most coherent and generally efficient contribution to the deployment and operation of smart grids, as a fundamental base for energy policy activities;

60. Calls upon the Commission to assess whether any further legislative initiatives for smart grid implementation are necessary under the rules of the third internal energy market package; considers that the assessment must take into account the following objectives: i) ensuring adequate open access and sharing of operational information between actors and their physical interfaces; ii) creating a properly functioning energy services market; and iii) providing proper incentives for grid operators to invest in smart technologies for smart grids;

61. Calls for a stronger focus on the interaction between distribution system capacities and consumption, involving a common European smart grid strategy, and notes that, as highlighted in the European Council conclusions of 4 February 2011, technical standards for smart grids should be adopted by the end of 2012 at the latest;

62. Stresses that grids should be adapted for new entrants, in order to facilitate small-scale new production sources, such as households and SMEs;

63. Considers that, in the 7th and 8th R&D Framework Programmes, scope should be created, as a priority, for smart grid technology with regard to the private charging infrastructure for electric cars, with a view to the rapid roll-out of a decentralised, two-way energy network in this field;

64. Notes the need to create a stable regulatory framework in order to promote the very large investment needed in Europe to establish smart grids;

65. Stresses that smart grid standardisation and interoperability shall be a priority; urges the Members States, in liaison with European and international standardisation bodies and industry, to speed up work on technical and safety standards for electric vehicles, charging infrastructure, smart grids and smart metering, with a view to its completion by the end of 2012; emphasises that technologies should be based on open international standards so as to ensure their cost-effectiveness, which will enhance the interoperability of the system and will provide consumers with a choice of solutions;

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66. Acknowledges that standardisation work in smart metering is progressing, with standardisation Mandate M/441 issued by the Commission to the European standardisation organisations (CEN, CENELEC and ETSI), and stresses that technical standards for smart meters should take into account the additional functionalities identified in the final report of the CEN/CENELEC/ETSI Smart Meters Coordination Group (SM-CG), namely:

- remote reading or metrological registers,
- two-way communication,
- support for advanced tariffication/pre-payment,
- remote enablement and disablement of supply and power limitation,
- communication with and, where appropriate, direct control of individual devices within homes and buildings,
- provision of information via web portal/gateway to an in-home display;

67. Welcomes the work carried out by the EEGI and the Commission's Smart Grids Task Force; calls on the Commission to take the fullest account of their conclusions on the specific legislation for smart grids scheduled for the first half of 2011;

68. Underlines that the objective of smart meters is to enable consumers effectively to monitor and control their energy consumption;

69. Points out that Member States are already obliged, subject to positive assessment, to roll out smart meters for at least 80 % of their final consumers by 2020, and draws attention to the interim target of smart meter installation in 50 % of households by 2015, agreed in the new Digital Agenda for Europe;

70. Stresses that Member States should support a sufficient number of pilot projects for residential consumers in order to enhance public acceptance and boost the innovation process, as provided for in the third energy market package; calls on the Commission to present, on the basis of the assessments required in the third energy package, further measures to ensure the deployment of smart meters for all non-residential customers by 2014, temporarily excluding micro-enterprises; calls for clear rules concerning security, privacy and data protection to be established in accordance with existing EU law;

71. Stresses that the deployment of energy management devices, especially when installing smart meters for use by domestic consumers, must, first and foremost, be of clearly tangible benefit to the final consumer; emphasises the need to keep consumers informed about their energy consumption, in order to involve them actively in the energy saving effort, and requires a special focus on creating awareness-raising campaigns, providing training, clear invoicing, ensuring cost-effectiveness and promoting the development of user friendly technologies;

72. Emphasises, in this connection, the paramount importance of support for research and innovation, which must be backed up by an active financing policy, including the use of innovative instruments that have yet to be developed, such as a European fund for financing innovation or a European fund for patents;

73. Calls on the Commission and Member States to work towards the selection of a standardised licensed radio spectrum band for smart meters and grids;

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74. Urges the Commission, in close cooperation with the European Data Protection Supervisor, to assess the need for additional data protection measures, the roles and responsibilities of different actors in relation, inter alia, to access to and the ownership possession and handling of data and read-and-change rights, and, if necessary, to issue adequate regulatory proposals and/or guidelines;

Defining clear and transparent criteria for priority projects

75. Welcomes the priority corridors identified by the Commission and agrees on the need to optimise limited funds; reiterates that, while responsibility for the planning and development of infrastructure projects lies mainly with the market, the EU has a role in promoting certain projects by awarding them the status of 'project of European interest' and in providing public financing to some of them;

76. Calls for a clear and transparent methodology leading to the selection of priority projects that meet pressing European needs; emphasises that the selection of projects of European interest (PEIs) should be conducted on the basis of objective and transparent criteria and with the involvement of all stakeholders;

77. Stresses that all PEIs should contribute to achieving EU energy policy objectives – completion of the internal market, promoting energy efficiency and renewable energy and enhancing security of supply – and should be capable of contributing substantially to:

- increasing market integration, competition and market liquidity and reducing market concentration,
- putting an end to energy islands,
- reducing network losses, preventing transmission bottlenecks – including in respect of internal projects as long as they contribute to the development of cross border interconnection – and relieving cross-border transmission,
- resolving single supplier dependency,
- diversification with regard to transit routes and the origin of resources,
- integration of renewable energy to the grid and increasing the use of renewable energy sources by reducing renewable energy curtailment;

78. Considers that, to justify projects being accorded priority, the following criteria should be taken into account:

- the project must have a European dimension (= clear EU public interest),
- its necessity must be demonstrated on the basis of the infrastructure hierarchy,
- it must be in line with climate, energy efficiency and environmental objectives,
- it must be consistent with long-term EU energy policy (allowing flexible and multifunctional application and avoiding lock-in effects),

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- it must offer a good cost-benefit ratio and cost efficiency,
- it must be technically sound;

79. Takes the view that, to allow further prioritisation of projects, the following eligibility criteria should be taken into account:

- whether solidarity between Member States is enhanced,
- the maturity of projects,
- whether projects present minimal environmental impact,
- whether they offer the best solution for the public concerned;

80. Underlines the importance of regional cooperation in the planning, implementation and monitoring of the established priorities and in drawing up investment plans and specific projects; believes that the existing strategies for macroregions (such as the Baltic and Danube regions) can also serve as models for cooperation platforms when agreeing and implementing energy projects;

81. Points out that it is necessary to press ahead with the integration of the internal energy market by promoting, in particular, projects to ensure that neighbouring countries have a well balanced national energy mix;

82. Stresses that obstacles to competition and market-driven development of all energy infrastructures, including district heating and cooling, must be removed;

83. Reiterates that the geographical obstacles inherent to the location of island territories render their integration into the Union's energy network very difficult, and that they should be granted special facilities in order to reduce their energy dependency, either by developing their endogenous potential in renewable energy sources or by promoting energy efficiency and energy saving;

84. Emphasises that transparency should be enhanced by clearly informing the public about the purpose and technical planning data of each project; asks that proof of compliance with the criteria should be verified in the context of public consultations;

85. Considers that not only large infrastructure projects should be supported, but also smaller projects which could have a high added value and be more swiftly completed;

86. Calls on the Commission to ensure that projects granted the status of PEI continue, after approval, to meet the criteria set out above; believes that, in the event of any major change to a project, its PEI status should be reviewed;

Fast and transparent permit-granting procedures

87. Agrees on the need to ensure timely implementation of PEIs and welcomes the Commission's proposal to streamline, enhance the coordination of, improve and speed up permit-granting procedures – provided that the subsidiarity principle and national competence in relation to permit-granting are respected – in order to ensure that existing deadlines in these fields do not discourage private investors from being innovative;

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88. Welcomes the establishment of a national contact authority (one-stop shop) for each European interest project as a single administrative interface between developers and the various authorities involved in the authorisation procedure; takes the view that, with regard to cross-border projects, further coordination between national one-stop shops and an increased role for the Commission in such coordination should be ensured; points out that, before the creation of new one-stop-shops, the Commission and the national authorities must make full use of existing institutions;

89. Stresses that any national contact authority must be independent and free from political or economic influence; believes that PEIs must be processed in order of submission and within the time limit set out in the future Commission proposal;

90. Stresses the importance of timely finalisation of projects and high quality stakeholder dialogue; encourages the Commission to provide for a system of mild to serious warnings in the event that a Member State fails to process a permit application within a reasonable period of time, and to monitor closely whether national administrative procedures ensure the correct and rapid implementation of PEIs; welcomes, where difficulties are encountered, the introduction of indicative time limits within which the relevant competent authorities must reach a final decision; urges the Commission – in the absence of such a decision – to investigate whether the delay in question could be understood as an instance of the Member State impeding the correct and rapid implementation of the EU energy internal market;

91. Calls on the Commission to determine, taking account of the diverse range of project specificities and the territorial characteristics of projects, whether joint or coordinated procedures establishing concrete ad hoc key measures and best practices (regular exchanges of information, timely communication of decisions, joint problem-solving mechanisms, etc.) could be set up, and to evaluate the suitability of using arbitration procedures as a final decision-making tool;

92. Stresses the need for a more participatory approach, and recognises that securing greater acceptance by local people of energy infrastructure projects goes hand in hand with providing adequate information about the purpose of the projects, and with local involvement in their development at the earliest possible stage; calls for the participation, at all levels of civil society, of NGOs, industry, the social partners and consumer organisations in the consultation process for projects of European interest; calls on the Commission to set up a consultation and assessment system in order to identify and disseminate best practices and knowledge in relation to public acceptance of infrastructure;

93. Stresses the need – given the importance of the regions' sustainable energy strategies to their development potential – to establish a platform for exchanging best practises acquired in the regions, taking into account successful examples of municipalities and regions that have specialised in renewable energies, energy saving and efficiency; calls, in this regard, for a consultation and assessment system in order, where possible, to identify, share and copy best practices and knowledge about public acceptance of infrastructure;

94. Emphasises that the greatest challenge lies in securing local public acceptance for energy infrastructure projects; is convinced that the acceptance and trust of members of the public and decision-makers can only be won by holding open and transparent debates in the run-up to decisions on energy infrastructure projects;

95. Asks the Commission to evaluate whether the modernisation and upgrading of existing energy corridors is preferable to the creation of new corridors in terms of cost-efficiency and public acceptance;

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96. Advocates providing more information on the importance of energy networks in the European Union; asks the Commission to consider running an EU energy networks information and communication campaign tailored to suit national and local audiences;

Financing instruments

97. Notes that grid investments are cyclical and should be viewed in a historical perspective; points out that much of the infrastructure built in recent decades to interconnect centralised power plants is ageing; points out that society will expect the cost of keeping existing infrastructure operational and deploying new infrastructure to be optimised through public-private partnerships and the development of innovative financing instruments; emphasises the need accurately to ascertain infrastructure requirements and avoid lock-in to surplus capacity by taking full account of cost-effective energy efficiency potential;

98. Stresses that the effective functioning of the market should provide a large part of the cost of the requisite infrastructure investment, on the basis of principles of proper cost-allocation, transparency, non-discrimination and cost-effectiveness and in line with the 'user pays' principle; requests the Commission to assess where the existing regulatory incentives are sufficient to send the necessary signals to the market, and what complementary measures, including those improving cost allocation rules, are needed;

99. Takes the view that, when no regulatory alternative is available and the market alone can not cover the investments needed, EU funding may be required to fund some limited PEIs the specific characteristics of which make them commercially unviable but the development of which is necessary to achieve EU energy policy objectives; considers that public funding may be used to lever private investment by setting up an innovative mix of financial instruments, provided that it does not distort competition;

100. Notes that the European Regional Development Fund makes a massive contribution to the funding of energy – and other – infrastructure projects and points out the significant role of cohesion policy at local and regional level in relation to energy efficiency and achievement of the Union's renewable energy targets;

101. Stresses that the cohesion and structural funds should continue to be central to our infrastructure projects; believes any attempt to create new sectoral funds from cohesion policy funds to be misguided;

102. Calls on the Commission to ensure that financing of infrastructure investments is market-based in order to prevent distortions of competition and the creation of false incentives for investment, and that unjustified fluctuations between Member States are avoided, provided, however, that public interest – especially at local and regional level and in territories with specific geographical features such as islands, mountainous regions and regions with very low population density – is also safeguarded through a limited amount of public finance which has to result in an innovative mix of financial instruments that levers private investment;

103. Considers that the European Union should fund commercially unattractive projects that are unable to attract private investors but that are essential for the interconnection of isolated EU regions to the European power and gas grids, as an integral part of the creation of a unified energy market in the European Union;

104. Calls on the Commission to allow public funding only for Member States which have fully implemented and correctly apply existing EU legislation, including the regulatory provisions laid down in the third internal market package;

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105. Calls on the Commission to review state-aid rules in relation to energy infrastructure and if necessary, to bring forward proposals to amend these rules to allow states to encourage the modernisation of infrastructure; calls on the Commission, at the same time, to issue a new guideline document on public financing of projects and current state-aid legislation, setting out clear criteria for the public funding of energy infrastructure; stresses that this document must be developed jointly by DG Energy, DG Competition and DG Regional Development in order to eliminate any inconsistency in the Commission rules;

106. Calls, on the basis of the strategic objectives, for the geographical principle to be taken into account in relation to future energy subsidies in the areas of infrastructure and R&D; insists, furthermore, that developed regions should receive further R&D subsidies only if the subsidised activity is conducted in conjunction with less-developed regions;

107. Emphasises that a stable, predictable and appropriate regulatory framework, including appropriate rates of return and incentives for new infrastructure, is crucial in order to promote investment in both transmission and distribution; stresses that regulators should foster the implementation of new technologies through market incentives and pilot projects;

108. Believes that private funding can facilitate timely construction of the requisite energy infrastructure, the sheer magnitude of the infrastructure challenge being such that private means need to be properly unlocked; considers that, as private investors embrace the infrastructure challenge, the Commission should establish clear guidelines for the involvement of market actors and private investors in so-called 'merchant line'; believes that concerns about the possible impact on market functioning can be overcome if merchant lines are obliged to hand over their full capacity to the market;

109. Stresses that the fullest possible use should be made of market-based tools, including improvements to rules on cost allocation, project bonds, revolving funds, renewable energy equity funds, loan guarantees, non-commercial risk-sharing facilities, incentives for funding public-private partnerships, partnerships with the EIB – by improving its intervention capacity and available resources – and use of ETS auction revenue for projects linked to renewable energy sources and energy efficiency, as well as, where appropriate, other innovative financing instruments; calls on the Commission to take into account the financial capacities and market conditions of the less-developed Member States;

110. Underlines the importance of closer and more effective collaboration with the private sector and financial institutions, especially the European Investment Bank and the European Bank for Reconstruction and Development, to promote the necessary financing, in particular for priority cross-border projects; calls on the Commission to explore other innovative financial instruments and help to promote the establishment of public-private partnerships, for which local, regional and national authorities provide incentives and the necessary legislative framework and policy support; stresses in this context the need to develop technical assistance and financial engineering at local and regional authority level in order to support local players in setting up projects of energy efficiency – e.g. by harnessing the EIB's ELENA technical assistance facility and the experience of ESCO where energy efficiency infrastructure is concerned;

111. Supports the idea of issuing common European project bonds to finance Europe's significant infrastructure needs and structural projects in the framework of the EU 2020 agenda, including the new Strategy on Energy Infrastructure Development; believes that EU project bonds would secure the investment required and create sufficient confidence to enable major investment projects to attract the support they need, and would thus become an important mechanism for maximum leverage of public support; points out that, if Europe is to be put on a sustainable footing, these projects must also contribute to the ecological transformation of our economies;

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112. Considers, in particular, that EU project bonds can become a key financial instrument for the requisite energy infrastructure investments in Europe, helping private project companies to attract capital market funding from investors; calls on the Commission swiftly to produce a legislative proposal on EU project bonds;

113. Stresses the importance of the regulators' developing a common methodology for cost allocation in cross-border infrastructure projects, as such network infrastructure incentives are characterised by multiple market failures, mainly due to natural monopoly and lack of competition;

114. Highlights the importance of transparent, proportionate, fair and non-discriminatory tariffs, with a view to ensuring appropriate cost allocation for investments in cross-border and internal transmissions infrastructure, with cross-border impacts significantly contributing to the achievement of EU policy goals, fair prices for consumers and greater competitiveness; urges the Member States to abstain from applying excessively low regulated tariffs; welcomes the Commission's REMIT proposal;

115. Recalls that the third package creates an obligation for regulators, in setting tariffs, to evaluate investments on the basis not only of their benefits in the Member State in question, but also of their EU-wide benefits; urges the ACER to ensure that its members heed this obligation; asks the Commission to assess further, where costs and benefits cannot be fairly allocated through tariff setting, whether compensatory mechanisms based on strict transparency could prove useful in relation to the approval of cross-border projects or of relevant internal projects necessary for the achievement of EU energy objectives;

116. Stresses the importance of increasing the interconnective capacity of energy networks at a cross-border level, and points to the importance of providing the financing required to attain the goals laid down, including territorial cohesion;

117. Calls for improved EU financial instruments to be set up to back regional and local authorities as they seek to invest in sustainable energy production;

118. Welcomes the Commission's initiative to present in 2011 a proposal to address the question of cost allocation of technologically complex or cross-border projects, as this is considered one of the main barriers to the development of cross-border infrastructure and a new financial instrument to back priority projects during 2014-2020;

119. Considers it important that more attention be paid in future to dealing with the financial guarantees for investments, and that the projected financial framework be developed in conjunction with planning of the 2014-2020 budget period;

Other infrastructure issues

120. Considers that all external pipelines and other energy networks entering the territory of the European Union should be governed by transparent intergovernmental agreements and subject to internal market rules, including rules on third-party access, destination clauses, supervision of allocation and bottleneck management, the duration of the contracts and take-or-pay clauses; calls on the Commission to ensure that current and future pipelines and commercial agreements respect the European energy *acquis*, and to take action if necessary;

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121. Calls on the Commission to further restrict the granting of third-party access exemptions on energy infrastructure, and for those granted to be reviewed to see if they are still needed; notes that the provision of public finance or support for projects through instruments such as EIB-backed project bonds, etc., should reduce or remove the need for third-party access exemptions;

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122. Instructs its President to forward this resolution to the Council, the Commission and the Member States.

Social services of general interest

P7_TA(2011)0319

European Parliament resolution of 5 July 2011 on the future of social services of general interest (2009/2222(INI))

(2013/C 33 E/07)

The European Parliament,

- having regard to the Treaty on European Union, in particular Articles 2 and 3(3) thereof, and the Treaty on the Functioning of the European Union, in particular Articles 9, 14, 106, 151, 153(1)(j) and (k), 159, 160, 161 and 345 thereof, and Protocol 26 thereto,
- having regard to the Charter of Fundamental Rights of the European Union, in particular Article 36 thereof,
- having regard to the United Nations Convention on the Rights of Persons with Disabilities, which was concluded by the European Community on 26 November 2009 ⁽¹⁾,
- having regard to Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and road ⁽²⁾,
- having regard to Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market ⁽³⁾, in particular Article 1(3) thereof,
- having regard to Decision No 1098/2008/EC of the European Parliament and of the Council of 22 October 2008 on the European Year for Combating Poverty and Social Exclusion (2010) ⁽⁴⁾,
- having regard to the Commission communication entitled 'Implementing the Community Lisbon programme: Social services of general interest in the European Union' (COM(2006)0177) and the accompanying Commission staff working document on social services of general interest in the European Union (SEC(2006)0516),
- having regard to the Commission communication entitled 'Services of general interest, including social services of general interest: a new European commitment' (COM(2007)0725),

⁽¹⁾ OJ L 23, 27.1.2010, p. 35.

⁽²⁾ OJ L 315, 3.12.2007, p. 1.

⁽³⁾ OJ L 376, 27.12.2006, p. 36.

⁽⁴⁾ OJ L 298, 07.11.2008, p. 20.