



Procedure file

Basic information		
RSP - Resolutions on topical subjects	2006/2556(RSP)	Procedure completed
Resolution on the conclusion by the European Community of the Energy Community Treaty		
Subject		
3.60 Energy policy		
3.60.03 Gas, electricity, natural gas, biogas		
8.20.17 Industry, research, energy and enlargement		

Key players			
European Parliament			
Council of the European Union			
Council configuration	Meeting	Date	
Environment	2812	28/06/2007	

Key events			
17/05/2006	Debate in Parliament		
18/05/2006	Results of vote in Parliament		
18/05/2006	Decision by Parliament	T6-0225/2006	Summary
18/05/2006	End of procedure in Parliament		

Technical information	
Procedure reference	2006/2556(RSP)
Procedure type	RSP - Resolutions on topical subjects
Procedure subtype	Debate or resolution on oral question/interpellation
Legal basis	Rules of Procedure EP 136-p5
Stage reached in procedure	Procedure completed

Documentation gateway					
Oral question/interpellation by Parliament		B6-0020/2006	26/04/2006	EP	
Oral question/interpellation by Parliament		B6-0206/2006	26/04/2006	EP	
Motion for a resolution		B6-0279/2006	17/05/2006	EP	
Text adopted by Parliament, topical subjects		T6-0225/2006	18/05/2006	EP	Summary
Commission response to text adopted in plenary		SP(2006)2902	22/06/2006	EC	

Resolution on the conclusion by the European Community of the Energy Community Treaty

The European Parliament adopted a joint resolution on the conclusion by the European Community of the Energy Community Treaty by 66 votes for, 21 against and 1 abstention. The joint resolution was sponsored by the EPP-ED, ALDE, Greens/ALE, IND/DEM and UEN (the PES group having withdrawn its signature from the proposal for a joint resolution). Parliament noted that the EC, by means of the conclusion of this Energy Community Treaty (ECT), created a precedent by extending the *acquis communautaire* of the internal market in the field of electricity and gas to the nine contracting parties to the ECT. Parliament demanded an unequivocal commitment by the contracting parties to the ECT to respect and implement the Charter of Fundamental Rights of the EU. Pointing to the fact that in the case of the internal market, additional measures to support the internal market are considered necessary in order to mitigate any negative effects have been adopted, whereas in the case of the ECT, the Council Decision foresees no such measures, Parliament stated that this could lead to serious distortions of competition with EU players by undermining the standards applied in the internal market. Therefore, matters relating to employment, social impact and restructuring, working conditions, equality, health and safety, information and consultation and social dialogue would be treated in a separate Memorandum of Understanding (MoU), whose legal status is not specified. Parliament demanded that the MoU should be developed to become a legally binding instrument.

Parliament sought clarification by the Council and the Commission of the inclusion of provisions and programmes to increase energy efficiency, prioritise the demand side, replace energy infrastructure and support renewable energy, notably to reduce widespread energy poverty, energy/hydrocarbon import dependence and the harmful environmental impact of energy production, transport and use. In particular, it wanted clarification on the effective implementation by the ECT countries of the *acquis* regarding energy efficiency, gaseous, liquid and solid pollutant emissions and climate change to avoid distortion of competition with EU players.

It went on to call for caution to be exercised in the privatisation of utilities and the replacement of public monopolies with private ones when not all rules and regulations were in place to ensure public service obligations, reasonable prices and democratic control. Parliament required all the complementary documents considered by the Commission or the Council to be integral to the internal market in connection with the ECT, prior to their adoption by the Council or Commission.

It was also concerned about changes made by the Council in the draft Council decision on the conclusion of the ECT, which transform the obligatory consultation with the European Parliament - as proposed in the Commission proposal - into an information exercise. Parliament demanded that representatives of its Committee on Industry, Research and Energy, together with parliamentary representatives of the countries concerned, be consulted on decisions of the Commission and Ministerial Council with regard to the ECT and that these representatives should have the power to amend proposals. A procedure to this end needed to be discussed between Parliament, the Commission and the Council.

Since it was desirable that the legal provision of mutual assistance to the contracting parties in the event of serious disruptions of energy supply be extended to other neighbouring countries 'in the event of special circumstances', Parliament called upon the Council and the Commission to clarify the 'special circumstances' in a separate implementing measure that should be forwarded to Parliament for its opinion.

Parliament also sought clarification on the following matters:

- the effective contribution of the ECT to support for energy reforms in contracting parties, as Western Balkan countries appear to be at an earlier reform stage;
- the role and functions of the various institutions created by the ECT, including the Energy Community Secretariat and the Regulatory Board;
- measures taken by donors, Member States and the ECT countries to ensure market transparency, in particular regarding the development of offshore energy traders in the ECT area with dominant market positions, and their extension to EU energy markets;
- the criteria to be fulfilled by a neighbouring third country in order to be accepted by the Ministerial Council as an Observer or as a Participant.

Parliament wanted to be informed and consulted prior to any future extension of the ECT to other energy sources or sectors.

It called upon the Commission to report in writing to Parliament at least once per year on the achievements of and problems faced by the contracting parties in the implementation of the ECT. This report should include at least the following elements:

the state of affairs with regard to implementing the relevant energy, social (the MoU) and environmental *acquis*;

- an overview of the work of the regulatory authorities, their resources and procedures for consulting relevant stakeholders;
- the level of market concentration, affordability and investment in new capacity and networks;
- an overview of the opinions of relevant stakeholders, particularly social partners, consumer and environmental organisations and municipalities.