

Procedure file

Basic information	
INI - Own-initiative procedure	2006/2247(INI)
Procedure completed	
Macro-economic impact of the increase in the price of energy	
Subject	
3.60 Energy policy	
4.60.06 Consumers' economic and legal interests	
5.10.02 Price policy, price stabilisation	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs		15/11/2005
		PSE DOS SANTOS Manuel	
European Parliament	Committee for opinion	Rapporteur for opinion	Appointed
	INTA International Trade		12/09/2006
		PPE-DE QUISTHOUDT-ROWOHL Godelieve	
European Parliament	ITRE Industry, Research and Energy (Associated committee)		12/09/2006
		PPE-DE CHICHESTER Giles	
European Commission	Commission DG Economic and Financial Affairs	Commissioner ALMUNIA Joaquín	

Key events			
26/10/2006	Committee referral announced in Parliament		
26/10/2006	Referral to associated committees announced in Parliament		
20/12/2006	Vote in committee		Summary
05/01/2007	Committee report tabled for plenary	A6-0001/2007	
15/02/2007	Debate in Parliament		
15/02/2007	Decision by Parliament	T6-0054/2007	Summary
15/02/2007	End of procedure in Parliament		

Technical information	

Procedure reference	2006/2247(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	ECON/6/31937

Documentation gateway					
Committee draft report		PE378.822	19/10/2006	EP	
Amendments tabled in committee		PE380.877	14/11/2006	EP	
Committee opinion	INTA	PE380.720	07/12/2006	EP	
Committee opinion	ITRE	PE380.781	12/12/2006	EP	
Committee report tabled for plenary, single reading		A6-0001/2007	05/01/2007	EP	
Text adopted by Parliament, single reading		T6-0054/2007	15/02/2007	EP	Summary
Commission response to text adopted in plenary		SP(2007)1040	21/03/2007	EC	
Commission response to text adopted in plenary		SP(2007)1730	30/04/2007	EC	

Macro-economic impact of the increase in the price of energy

The committee adopted the own-initiative report drawn up by Manuel Antonio dos SANTOS (PES, PT) on the macro-economic impact of the increase in the price of energy. The report called for Europe to act now to prevent increasing energy prices damaging the European economy. It noted that the present increase in oil prices is of a similar scale to those of the 1970s and early 1980s, but differs from those shocks in that a substantial element is caused by growing demand from economies such as China, so part of the rise will be permanent. It stressed the tangible effect of oil price increases on the EU, which have reduced growth, investment and employment while increasing inflationary pressure and interest rates. MEPs in the committee said that, if no action is taken, Europe's dependency on energy imports may rise from 50% today to 70% in 2030. They noted in particular the social consequences of higher energy prices, which hit the poorest and most vulnerable especially hard.

The committee pointed out that the transport and housing sectors in particular are most affected, and called for a comprehensive EU strategy to phase out fossil fuels in the transport sector, while expanding the use of unconventional fuels. Ensuring fair energy prices in the domestic energy market would mean completing the single market in a sector often dominated by a few companies. Unbundling the infrastructure from suppliers was essential for the proper functioning of national markets and the internal market.

The committee called for a 'massive investment in energy infrastructure and supply over the coming years' alongside an in-depth, Community-wide, debate on different energy sources. It called on the Commission and Council to draw up a detailed plan to reduce EU dependence on oil imports and for a shift toward clean energy. It also urged the adoption of energy efficiency improvements, which, it said, are the cheapest way to cut CO2 emissions and improve energy security. Fiscal policy should be used to encourage these moves, and public procurement selection criteria should include energy efficiency.

Lastly, the report called for an integrated EU emergency mechanism for security of supply to increase the minimum oil stock from 90 to 120 consumption days and develop a minimum gas stock of at least 90 days. It suggested following the US model of publishing weekly breakdowns of European oil and oil product stocks.

Macro-economic impact of the increase in the price of energy

The European Parliament adopted a resolution based on the own-initiative report drawn up by Manuel Antonio dos SANTOS (PES, PT) on the macro-economic impact of the increase in the price of energy. (Please refer to the summary dated 20/12/2006.)