



RESOLUTION:

ENERGY UNION

Adopted at the YEPP Council Meeting
In Zagreb, Croatia, on the 7th of March 2015

Recognising that:

- The European Union is the biggest energy importer in the world, importing more than €1 billion per day, 3.2% of Europe's GDP. Every year, the EU imports more than €300 billion of crude oil and oil products alone, of which one third is coming from Russia;
- By 2035, the EU's reliance on imported oil is projected to increase to over 90% (from around 80% today), and its dependency on gas imports is expected to rise to over 80% (from around 60%);
- Europe's high dependency on foreign energy sources, combined with the recent developments at its Eastern border, has made the question of the EU's energy policy response more valid than ever;
- Energy policy is characterised by the combination of diverse national situations and preferences on the one hand, and potential large economies of scale that could benefit the European economy and its people on the other.
- The European fossil fuels industry currently employs more than 200000 high skilled labourers.

Acknowledging that:

- Progress made since the 2006 and 2009 energy supply crises in creating a common energy market and implementation mechanisms that would ensure the security of supply has been insufficient. The EU remains vulnerable to political pressure due to its high dependency on oil and gas imports;
- Establishing the Energy Union is one of the Latvian Presidency priorities, as well as the European Commission for 2014-2019, where 14 Commissioners are involved in the Project team in this field;

- The key mechanism for supporting the security of energy supply security should be a well-functioning market. Optimal levels of competition, liquidity, and low market concentration should provide effective solutions in the event of disruptions. What currently prevents the creation of such a market is the segmentation of national markets, the underdevelopment of trading mechanisms and the basic issue of the lack of infrastructure necessary to allow real market integration.

YEPP calls on:

- The European Commission to work together with Member States and the European parliament to increase energy independence and security in Europe by agreeing as soon as possible on the Energy Union proposal
- On the European Commission to honour EU Commitment to address the vulnerability of energy islands as well as to increase reverse flow capacity. Therefore calls for an accelerated development of interconnectors and projects aimed at diversifying supply sources and interconnect all areas at least by 10% till 2020 and 15% till 2030:
- For an accelerated timeline for the 15 concrete actions proposed in the Energy Union package
- On the European Commission to establish new partnerships with third countries in order to assure our energy independence and security. Calls on to include a specific chapter on energy in the Transatlantic Trade and Investment Partnership Agreement in order to allow LNG exports from US to the EU.
- The EC to use the EFSI as a vehicle for turning infrastructure investment into a fully liquid asset class with bonds that can be pooled and traded on European and global markets
- The EU to ensure that the energy union strategy addresses all forms of energy rather than being currently focused more on electricity and natural gas.
- The European Commission to make sure that the energy union framework is linked with EU growth targets and the creation of new jobs.
- The EC to present specific proposals on the December 2015 Paris International Convention on Climate Change