

European Parliament

2019-2024



Plenary sitting

B9-0419/2022

04.10.2022

JOINT MOTION FOR A RESOLUTION

pursuant to [Rule 132(2) and (4) of the Rules of Procedure

on the EU's response to the increase in energy prices in Europe
(2022/2830(RSP))

Christian Ehler and Markus Ferber

on behalf of the EPP Group

[Mohammed Chahim, Dan Nica]

(on behalf of the [S&D] Group)

Martina Dlabajová, Stéphanie Yon-Courtin

on behalf of the Renew Group

Zdzisław Krasnodębski

(on behalf of the ECR Group)

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United in diversity

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The European Parliament

- Having regard the TFEU,
- Having regard Directive 2018/2001, on renewable energy,
- Having regard Directive 2018/2002, on energy efficiency
- Having regard Directive 2018/844, on energy performance of buildings.
- Having regard the Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity,
- Having regard the Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU,
- Having regard the Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply,
- Having regard to Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law'),
- having regard to Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity;
- having regard to the proposal of Council Regulation on an emergency intervention to address high energy prices (COM(2022) 473 final),
- Having regard the Commission's Communication on short-term market interventions and long-term improvements to the electricity market design (COM (2022) 236 final);
- having regard the Commission's Communication on Tackling rising energy prices: a toolbox for action and support (COM (2021) 660 final);
- having regard to the Commission communication on REPowerEU: Joint European Action for more affordable, secure and sustainable energy, published on 8 March 2022,
- having regard to the Commission communication on REPowerEU plan of 18 May 2022,

- having regard to the Commission communication of 23 March 2022 entitled ‘Temporary Crisis Framework for State Aid measures to support the economy following the aggression against Ukraine by Russia’ (C/2022/1890),
 - Having regard to the European Pillar of Social Rights Action Plan,
 - having regard to the United Nations Framework Convention on Climate Change (UNFCCC) 2015 Paris Agreement, which entered into force on 4 November 2016,
 - having regard to the conclusion of the European Council meeting of 24-25 March 2022,
 - Having regard to its resolution of 21 October 2021 on the Climate, energy, environment and State aid guidelines (CEEAG).
 - Having regard to its resolution of 15 January 2020 on the European Green Deal,
 - having regard to its resolution of 21 January 2021 on access to decent and affordable housing for all (2019/2187(INI),
 - Having regard to its resolution of 10 February 2021 on the new circular economy action plan,
 - having regard to Rule 132(4) of its Rules of Procedure
- A. whereas Russia’s war of aggression is having a significant impact on the EU’s citizens and the economy, notably through a dramatic rise in energy and food prices and is causing immense suffering for the people of Ukraine and constitutes a direct attack on European values;
 - B. whereas the euro area inflation rate gradually reached 10% in September 2022, with more than half of euro area countries suffering from double-digit rates and with some hitting as high as 24 % inflation;
 - C. whereas already in 2020, before the process of rising prices began, about 36 million Europeans were unable to keep their homes adequately warm; whereas more than 50 million households in the EU already experience energy poverty and whereas this major challenge will be further exacerbated by the current energy crisis, leading to possible delays in access to basic needs, care, education and healthcare, in particular for children and young people;
 - D. whereas plants across a diverse range of European industries such as steel, aluminum, fertilisers and the power industry itself have been forced to furlough workers and shut down lines as high gas and power prices are causing losses to the businesses; whereas these closures have a domino-like effect on other industries hit by supply-shock and could do long-term damage to Europe’s industrial base;
 - E. whereas companies are suffering from increased production costs owing to higher raw material prices, constrained supply chains and increased transport and energy prices, combined with changing consumer behaviour ;
 - F. whereas soaring price of power has pushed up the margin requirements on electricity generators that hedge their sales in the futures market to unprecedented levels;
 - G. whereas the energy and digital transition will substantially increase the demand for certain types of raw materials, while at the same time, the EU is dependent on only a few countries and companies for its supply of these same materials;

- H. whereas the COVID-19 crisis and the Russian war of aggression against Ukraine have led to disrupted supply and value chains, creating supply shortages and resulting in rising production costs;
- I. whereas the 20th pillar of the EPSR on Access to essential services states that everyone has the right to access essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications; whereas access to such services should be available
- J. Whereas the framework on the Services of General Economic interest should be updated to better protect vulnerable consumers in the current situation
- K. whereas in her speech of the 14th of September, the President of the Commission Ursula Von der Leyden stated that Russia keeps on actively manipulating our energy market;
- L. whereas spot gas prices recorded at the Dutch Title Transfer Facility (TTF) remained below 25€/MWh in the last four years and they sharply increased since August 2021 and, especially, following the Russian war of aggression against Ukraine and, since mid-August 2022, the price returned and stayed above 200€/MWh; whereas the actions of Russia is an example of an unprovoked attack on the EU gas market;
- M. whereas ESMA declared that “open and well-functioning commodity derivatives markets play an essential role for price discovery. Due to the recent period of extreme stress, we nevertheless believe that measures to contain excessive volatility could be helpful in improving the overall functioning of these markets. The MiFID II framework already foresees a set of volatility mechanisms (notably trading halts and price collars). However, in the extreme circumstances that commodity derivatives markets (and energy markets in particular) have experienced over the past months, the number of times that trading halts have been triggered on the relevant EU trading venues seems to be very low.”;^[1]
- N. whereas in her speech of the 14th of September, the President of the Commission Ursula Von der Leyden stated that Commission’s proposal “will raise more than 140 billion euros for Member States to cushion the blow directly”; whereas several Member States have introduced temporary windfall profit taxes schemes
- O. Whereas Member States should be the main actors responsible for their own energy mix and identifying the main issues their citizens and economy are facing and resolving them;
- P. whereas the dramatic increase in electricity prices is putting pressure on households, numerous European citizens, in particular those at risk of poverty and those from vulnerable groups, non-governmental organisations, small and medium-sized enterprises (SMEs) and industry, and risks causing wider social and economic harm;
- Q. whereas the assessment by the EU Agency for the Cooperation of Energy Regulators of the EU Wholesale Electricity Market Design showed that cross-border trade delivered EUR 34 billion of benefits to consumers in 2021 while helping to smoothen price volatility, and that it enhances each Member State’s security of supply and resilience to price shocks;
- R. whereas saving and reducing energy constitute an affordable, safe and clean option to reduce the EU’s reliance on fossil fuel imports from Russia; whereas EU Member States save only 0.8 % of final energy consumption;

^[1] <https://www.esma.europa.eu/press-news/esma-news/esma-responds-eu-commission-regarding-recent-developments-in-energy-derivatives>

Introductory considerations

1. Considers that the Russian war of aggression on Ukraine and the weaponisation of fossil energy supply has dramatically deteriorated already existing instability in the energy market; deplores that this situation has further increased energy prices, thus led to extremely high inflation, rising social inequalities, energy and mobility poverty, high food prices and a cost of living crisis, and a significant risk of closures of businesses across different sectors and unemployment persists.
2. Is deeply concerned about high energy prices across the EU and calls on the Member States to immediately tackle its impact and that of associated inflation on household incomes, health and well-being, particularly of the most vulnerable people, as well as on business, including SMEs, and economy in general.
3. Believes that exceptional times require exceptional emergency measures where the Union needs to act as jointly and united as ever; insists that all measures adopted at EU level to fight the energy prices crisis must be fully compatible with the Union climate goals in the long term, including the Green Deal, and advance our open strategic autonomy; in this respect, asks the Commission to analyse the cumulative impacts of the Union and national emergency measures ensuring that they are consistent with our objective to reach climate neutrality by 2050 at the latest; insists that all proposed measures should acknowledge the diversity of national circumstances and therefore grant necessary flexibility for their implementation; calls for stronger solidarity among Member States and among economic actors to tackle this crisis in a fair way.

Impact on citizens and economy

4. Urges Member States to ensure access to affordable and clean heat and electricity and to avoid that people be obliged to choose between “eating and heating”; Alerts Member States that consumers that cannot afford their rising energy bills should not be cut off, and the need to avoid home evictions for vulnerable households that are unable to pay for their bills and rents;
5. Calls on Member States to put in place plans and strategies in the areas of housing, access to basic social needs, protection of social infrastructure, critical healthcare services and financial assistance to SMEs; highlights that this support should reach even more those population groups who are in most critical situation.
6. Stresses that households across EU Member States face significant challenges such erosion of the purchasing power;; highlights that many people in Europe were already in vulnerable situations and warns that related inflation, in particular rising food and energy prices, might make the situation unbearable for low-income households, with the middle class being more and more affected; calls on Member States to consider exempting staple foods from VAT throughout the entire EU for the duration of the crises, to facilitate access to essential goods, tackle food shortages and rising housing prices.
7. Calls on the Member States and the Commission to inform citizens and businesses, in particular SMEs, on how they can prepare for the winter ahead and on how to improve energy efficiency and reduce their energy demand, with practical, effective, and realistic saving tips around the cost-of-living and energy costs, as well as information on consumer rights; encourages Member States to promote energy saving devices for vulnerable households;
8. Asks Member States to consider providing temporary support to vulnerable transport users, to absorb the increase in prices, including public transport vouchers ; calls for the adoption of structural policies further promoting reliable and affordable public transportation networks and active modes of mobility, such as cycling or walking;
9. calls on Member States to address the impact of the energy crisis on the labour market by supporting workers, who are temporarily in "technical unemployment" because employers

- were forced to limit or suspend their activity, including solo self-employed workers, and by providing assistance to small businesses to retain staff and maintain their activities; recalls short-time working arrangements proved their worth in the pandemic and should be mobilised, with EU financial support where necessary, to avoid job losses; calls on the Commission and the Council to reinforce, the SURE mechanism to support short time work schemes, workers' income and workers that would be temporarily laid-off because of the increase of the energy prices;
10. Calls on Member States to support companies in the face of soaring prices, in consultations with the representatives of employers and employees of the sectors that are seeing the greatest impact, and to implement anti-crisis measures also through social dialogue and collective bargaining; calls for the Commission to undertake measures necessary to help energy-intensive industries, including with due warranties on environmental protection and maintenance of employment
 11. stresses that social guarantees are key in the current crisis situation, urges Member States and Commission to involve trade unions to design and implement anti-crisis measures through social dialogue;
 12. Recognises that the cumulative effect of high energy prices and disrupted supply chains may endanger European businesses and the jobs they provide; calls for the burden on businesses, particularly SMEs, to be eased immediately.
 13. Underlines that the primary objective of the ECB's monetary policy is to maintain price stability and, thus, to ensure that inflation is low, stable and predictable; recalls that the ECB's target inflation rate is 2%;

Climate commitments, deployment of renewables, energy efficiency and infrastructures

14. Reminds that the cheapest energy is the one that we do not consume and that energy efficiency and energy saving measures will not only help the EU in the short term but it will also help us to achieve the Union 2030 climate commitments contained in the Fit for 55 package and the RepowerEU initiative such as the reduction of gas imports and consumption.
15. Believes that achieving the objectives of the Green Deal will make our more efficient and renewable based energy systems more stronger to sustain crises, resilient against external shocks, ensure stable and affordable energy and contribute to open strategic autonomy
16. Calls the Member States and the Commission to accelerate the deployment of renewable energy, as the best way to end dependency on natural gas and to meet the climate commitments of the Union; recalls the ongoing recasts of the Directive 2018/2001 (RED III and RED IV) and is convinced that a quick completion of legislative procedures will accelerate the rollout of renewables in the EU;
17. Stresses that residential heating must be decarbonised through smart electrification and affordable, renewable-based district heating solutions; calls on the Commission and the Member States to increase support for renovation of buildings, and to provide adequate funding for investments in energy efficiency measures, notably also for worst energy-performing buildings and for the most vulnerable neighbourhoods; welcomes the decision of some Member States to ban the instalment of gas boilers in new buildings; stresses the importance and immediate benefits of rapid deployment of solar energy in buildings, nearby renewables, heat pumps as well as other fast and easy to install solutions;
18. Encourages the Commission and the Member States to accelerate the deployment of renewable energy sources, in particular by removing administrative barriers and simplifying and accelerating permitting processes, including for households;
19. Supports the idea, as part of REPowerEU, of auctioning allowances in the EU Emissions Trading System (ETS), as an exceptional measure, to generate EUR 20 billion and thereby finance the infrastructure needed to make us less dependent on Russian gas and oil, including investments in renewable energy, energy efficiency; calls for this intervention to be sped up

to mobilise the necessary revenues by the end of 2025; welcomes the fact that this could have the potential effect to mitigate ETS prices in the short term and thereby electricity prices and energy costs for industry while recognising that the ETS is not a main driver of the recent energy price increases; reiterates its own 2030 climate targets, with which this ETS intervention is fully in line;

20. Stresses that real-time electricity price signals can unlock more flexible demand, in turn reducing expensive and gas-intensive peak supply needs; calls therefore on Member States to better manage the flexibility needs of EU power systems through enhanced grids, dispatchable low emissions generation, and various large-scale and long-term energy storage technologies in order to reduce industrial electricity and gas demand in peak hours;
21. Calls the Member States to fully transpose the Directive 2018/2001, particularly to remove obstacles to the creation of energy communities; calls on the Member States to adopt further action for renewable self-consumption; calls on Member States to create appropriate conditions for development of at least one renewable energy community per municipality, so that citizens can produce, consume, store and resell their own renewable energy.
22. Calls to accelerate the ongoing legislative procedure of the Energy Efficiency Directive, as its provisions will help users to reduce their energy consumption and thus reduce their energy expenditures;
23. Underlines that the creation of a fully integrated single market for energy that provides for a truly resilient European energy network, including the construction of new interconnectors, as shown by the one connecting the Iberian Peninsula with France, and better trading platforms, would alleviate the price pressure on businesses and consumers in the short term, and establish energy independence and resilience in the long term. recognises that the reform of the EU's internal energy market must be pursued more consistently, that overly high dependencies need to be avoided and that key infrastructure needs to remain in EU hands, thereby fostering open strategic autonomy; considers that all options must be on the table to keep energy affordable and to achieve climate neutrality;
24. Stresses that investments in renewable energy, energy efficiency and necessary infrastructures, including targeted, well-defined cross-border projects, including investments through NGEU and REPowerEU, contribute to achieving energy sovereignty of the EU, open strategic autonomy and energy security; calls on the Commission and Member States to accelerate these key infrastructure projects based on renewable energy and clean hydrogen, by facilitating permitting process, with due regard for public participation and environmental impact assessment procedures.
25. Express concerns over the recent act of sabotage on Nord Stream infrastructure and the reports on unidentified drones detected near oil and gas platforms on the Norwegian continental shelf; draws attention that the incidents provoked a spike in gas prices on TTF markets and the methane leaks caused 'a climate and ecological disaster';
26. Stresses that intentional disruption of European energy infrastructure has a potential to significantly deteriorate current energy crisis, including on the macro-regional level; urges Members States and energy companies to immediately adopt measures to increase security of their energy infrastructure;

Emergency measures on the energy market

27. Considers that companies having benefited from windfall profits must contribute to mitigate the negative impacts of the crisis; takes note of the 2022 State of the Union Address by President von der Leyen of 14 September 2022; welcomes in principle the [Commission's

proposal and the subsequent] Council agreement to establish a temporary emergency cap on market revenues obtained from the generation and sale of electricity by using inframarginal generation technologies and to put in place a temporary solidarity contribution mechanism from the fossil fuel sector, which is benefiting from the current market situation; Recalls, in this regard, its previous position expressed in its resolution of 19 May; regrets that the Commission proposed its plans in the form of a Council Regulation, using Article 122 as a legal basis, instead of a legislative co-decision procedure; recalls that this instrument should only be used for emergency situations; confirms that Parliament stands ready to act swiftly on this pressing issue if called upon, as it requires full democratic legitimacy and accountability.

28. Calls on Member States to swiftly implement these measures; Considers that interventions in the energy market should be of a temporary and targeted nature and that fundamental market principles and the integrity of the single market must not be endangered; notes that the mechanism established potentially leads to a disparity of revenues among Member States;
29. Takes note that solidarity contributions are being proposed for the crude petroleum, natural gas, coal, and refinery companies; notes with concern that some of the largest energy companies in the EU may not be subject to the contribution; calls on the Commission and the Council to design the solidarity contribution in such a way as to prevent tax avoidance; notes that Member States might strengthen further the proposal; calls on the Commission to assess an adequate profit margin considering the emergency situation and, accordingly, to take further steps towards introducing a tax on windfall profits for energy companies who have excessively benefitted from the energy crisis;
30. Stresses the revenues of windfall profits should benefit consumers and businesses, in particular to support vulnerable households and SMEs including through price caps underlines that must go hand in hand with massive innovation and investments in renewable energies and energy efficiency and energy infrastructure, for example distribution grids, rather than incentivizing households and companies to consume more subsidised energy;
31. Highlights the public revenue deriving from the implementation of the Pillar II Directive in the EU, which implements the OECD global tax deal on minimum effective corporate taxation, would be particularly significant in the current context; reiterates its call on the Council to swiftly adopt the Pillar II Directive to ensure the agreement is effective by January 2023;
32. Welcomes the energy demand obligations and goals introduced by the Council regulation, to tackle the problems of high energy prices and security of energy supply; urges Member States that measures chosen for implementing these above obligations must not become additional burdens for vulnerable households and consumers, for businesses, SMEs and for those living in energy poverty;
33. Takes note of the Commission's intention to discuss a reform of the electricity market design and is ready to carefully analyse any proposal; considers that any reform of the electricity market should be in line with EU's climate goals, notably with the objective of reaching climate neutrality by 2050 at EU level, and that electricity markets should convey the right price signal to invest in decarbonisation and allow citizens and industries to benefit from secure, affordable and clean energy, while addressing the disproportionate profits in electricity market; Calls on the Commission to analyse the decoupling of electricity prices from the price of gas;
34. Calls on the Commission to analyse the need of putting in place additional measures to address the crisis, including temporary wholesale and import price caps; calls on the Commission to propose, after a positive analysis, a dynamic price cap on gas imports from pipelines, primarily from Russia; encourages the Commission and the Council to upgrade the energy platform into a joint procurement of energy sources in order to strengthen the EU bargaining power and lower the price of imports; welcomes the Commission's decision to set a task force to negotiate gas prices with third countries;

35. Welcomes that the Commission, on the request of the Member States, is assessing possible solutions to provide needed liquidity for energy companies facing high margin calls on the futures markets for electricity and gas;

Speculation in the energy market

36. Recalls that the disruptions in energy supply driven by Russia's war of aggression against Ukraine have increased volatility and instability in the energy derivatives markets, and that this may have a cascade effect on the financial markets.
37. Calls for increased transparency and regulatory oversight of market based and over-the-counter gas trading and on acquisition prices;
38. Welcomes the antitrust law case initiated by DG Competition against Gazprom on abuse of its dominant position and urges the Commission to quickly conclude the procedure and to adopt the necessary decisions. Stresses that the Commission must use all competition law tools to tackle market distortions, unfair price manipulation on the energy markets; when identifying violations of competition rules in the area of electricity and gas, the Commission must also consider applying structural measures as remedies.
39. Notes that the Commission recognises¹ that we are experiencing manipulations in the gas market, which in turn have repercussions on electricity prices; Calls to end speculation and manipulation in the gas market and calls for measures to be taken on the functioning of the TTF and on those entities entitled to operate in that market; considers that these measures might include applying trading halt mechanism in the TTF in case of excessive price fluctuations and price collars, as suggested by ESMA, decoupling indexation of contracts from the TTF hub; welcomes the Commission proposal to look into an alternative EU benchmark to the TTF for pipeline gas and LNG; further, calls on the Commission, namely DG Competition, and ESMA, to closely monitor the European gas market over possible cases of market dominance or lack of transparency.
40. Calls on relevant competent authority to investigate, report and address possible cases of market abuse or market manipulation in commodity markets in general and in the gas market in particular;
41. Calls on the Commission to closely look into the activities of financial players who contributed to the carbon price volatility; urges the Commission to take actions to eliminate the influence of speculative capital on the EU ETS allowances market;
42. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.

¹Statement by President von der Leyen on energy, 07.09.2022
[https://ec.europa.eu/commission/presscorner/detail/en/SPEECH_22_5389]

**European Parliament resolution on [the flooding in Venezuela]
([2019/2897](RSP))**

The European Parliament,

(– having regard to ...)

– having regard to [Rule 132(2) and (4) / Rules 125(6) and 132(4) / Rules 136(5) and 132(4) / Rules 139(4) and 132(4) / Rules 144(5) and 132(4) / Rules 222([8/9]) and 132(4)]⁽¹⁾ of its Rules of Procedure,

A. [whereas ...];

B. [whereas ...];

1. [Considers that ...];

2. [Calls on the Commission ...];

3. Instructs its President to forward this resolution to

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⁽¹⁾ See note 2 in the grey box after the cover page.