

FROM THE EUROPEAN ENERGY COMMUNITY TO THE ENERGY UNION

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The promotion of the “Energy Union”¹ as a priority of the European Commission announces a decisive breakthrough that must be made a reality based on three complementary guidelines. Jacques Delors, Sami Andoura and Jean-Arnold Vinois take a stand based on the Jacques Delors Institute’s new Report “[From the European Energy Community to the Energy Union](#)”.

1. Putting energy back at the heart of European integration: breaking away from short-termism and inward-looking attitudes

The energy sector is no exception to the current weakness of the European and national political systems, marked by pervasive short-termism and an increasing tendency for European countries and citizens to look inwards. The European people are afraid of globalisation and of the future. Under pressure from political events and economic and social uncertainty, they are losing the feeling of having a common heritage—of living and of knowing how to live together. Can Europe still have its say and does it want it?

We must now find a new shared impetus, and reconsider how we live and govern together. The EU currently implements common policies in many key fields. Why then, could energy not take its natural central place in the European project, in line with what European citizens have been demanding for several years now?

2. The Energy Union: decisive actions for a long-term European energy transition project

The European Council has called for an Energy Union, of which the content has not yet been defined but which is at the forefront of the organisation and priorities of the new Commission. In order to assist the stakeholders involved in this complex task, it is essential to identify the European projects and resources that must be developed to achieve a real Energy Union based on the fundamental European values and principles of integration, cooperation and solidarity.

The Energy Union is the catalyst for the necessary energy transition in Europe, and must be used to overcome the fragmented, short-termist and isolated approach that is dangerously looming over Europe. It is based on a new sustainable economic development model. The focus of the European energy system must shift from the supply side to the demand side, and from an unsustainable production model to a model aimed at reducing consumption, and therefore demand. A new industrial strategy must be developed, based on innovation and the implementation of digital and information technologies in the energy sector.

The Energy Union is inclusive. It creates wealth and well-being for all Europeans. It promotes solidarity, such as ensuring an energy supply for all at a universally affordable price. Offering young generations a better education and training in the challenges and opportunities provided by this new European energy transition model is a task that the EU is capable of performing. A European social dialogue in the energy sector is necessary to support this far-reaching change in terms of employment. Energy poverty is a growing phenomenon that must be addressed by the EU as part of a genuine social policy. The Energy Union also assists the African, Asian and many other populations who do not even have access to energy.

The Energy Union includes European energy diplomacy that promotes our energy transition project and defends European interests across the globe, and in particular in European trade policies. Whether on a bilateral or multilateral level, the key idea is not speaking with one voice, but conveying a clear and unequivocal European message, regardless of the spokesperson. The Energy Union builds its energy future on

sound foundations, based on a European Energy and Climate Information Agency.

The Energy Union is a return to simplicity and puts the community method back at the heart of the interplay between the European institutions. A virtual energy forum bringing together all players and simplifying the current consultation methods would make the Energy Union accessible to all and ensure its general acceptance.

These are the main advantages of an Energy Union comprised of the 28 Member States. The critical mass of the EU, bolstered by its internal market and its 500 million citizens/consumers, is a key asset and the benefits of this must be optimised. A successful Union must be based above all on the integration of the internal market. However, the current internal energy market is not moving in this direction. The priority for the EU in the very short term is to revise the current European energy policy.

3. An absolute precondition: the revision of the European energy policy in the very short term.

The new European framework for the 2030 energy and climate package is marked by low levels of drive, particularly as regards the promotion of renewable energy and energy efficiency. The EU has not resolved the contradiction between the continuing sovereign approach of States and the clear European and global dimensions of the problems identified. If it is not offset by reinforced European governance, this step backwards may dangerously throw energy policy back into national arenas, undoing what was bravely put on the European agenda in 2007. Despite the many achievements and successes observed in recent years, the European energy policy suffers from a design fault and structural inadequacies which must be overcome.

First of all, the internal energy market must be finalised as an instrument for the optimisation of

energy resources by all stakeholders, including consumers. The first requirement is the implementation in all Member States of all the rules. The creation of the infrastructure required for the market's physical integration and the removal of energy islands must be stepped up. The retail market must operate within a European framework and must be transparent to give consumers the freedom to act in favour of energy efficiency. The security of gas and electricity supply must be governed by clear European standards and by cross-border preventive actions conducted in consultation with the various stakeholders.

Next, the EU must be given its rightful role in the international arena, and in particular with regards to neighbouring third countries, reflecting the interdependence of economies rather than counting on short-term actions lacking an overall vision. Relations with immediate neighbours must be strengthened with a view to creating a pan-European area already outlined by the European Energy Community, without forgetting the Mediterranean countries.

Lastly, European governance must be strengthened and the regional dimension must be seen as an essential intermediary step. The European Commission must play its full original and unique role as the driving force behind ambitious and justified initiatives, a facilitator of dialogue and the guardian of the Treaties. Rather than being developed with a silo mentality, the European energy policy must be interconnected with all other relevant policies.

None of these actions requires institutional changes or modifications to existing treaties. We welcome the priority granted to the Energy Union by the European institutions. It must be followed by strong and unifying actions that must now be put forward by the European Commission and debated, adopted and implemented by all stakeholders. It is time to find new enthusiasm for an ideal that remains utopian but that can be achieved. We have no time to lose.

1. See Sami Andoura and Jean-Arnold Vinois, Foreword by Jacques Delors, "From the European energy community to the Energy union. A policy proposal for the short and the long term", *Studies and Reports No. 107*, Jacques Delors Institute, January 2015.

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