Energy Union: Towards a Common EU Energy Policy?

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Although the Energy Union means a significant improvement when it comes to the complexity of the way the EU thinks about energy policy, its most ambitious dimensions are yet to be materialised. The next period will show whether the EU Member States share the European Commission’s eagerness to deal with energy policy together as the Community or whether they prefer to keep several energy-related competences in their own hands.

The idea of an energy union, a framework policy covering all energy-related issues, was introduced by Donald Tusk, the then Polish prime minister and current President of the European Council, in April 2014. This was not the first time a similar idea was developed – the Commission in particular (but also Poland and a few other member states) has been active in proposing the creation of a common energy policy of the EU in order to help solve energy-related challenges. However, most of the Member States have not been in a favour of such a policy. Tusk argued that the then alarming tension between the Russian Federation and Ukraine once again accentuated the EU’s dependency on Russian energy supplies, which “mad[e] the European community weak” (Tusk 2014). Therefore he proposed measures to improve the position of the EU and its Member States in relation to external suppliers.

The main innovation of the proposal was the idea of a joint purchase mechanism that was supposed to replace Member States as contractual partners to energy exporters. In Tusk’s view, the EU was supposed to be the actor responsible for negotiating deals with third parties – what was supposed to improve its negotiation position vis-à-vis energy exporters. However, Member States were not happy with such an idea (see UK and Czech Republic non-paper 2015), which was therefore not developed further at the EU level. The common denominator of all dimensions in Tusk’s proposal (others
being community support for infrastructural projects, further improvement of energy solidarity among Member States, diversification of energy supplies and strengthening of the Energy Community) was to help EU Member States to improve their energy security.

The European Commission further developed these ideas as Jean-Claude Juncker made the Energy Union one of the priorities of his term in office as President of the Commission. Juncker too stressed the crisis between Russia and Ukraine as one of the main factors behind the proposal claiming that the “current geopolitical events have forcefully reminded us that Europe relies too heavily on fuel and gas imports” (Juncker 2014). The Energy Union became the agenda for one of the newly established positions of Vice-President (filled by Maroš Šefčovič), the status of which was informally strengthened within the newly appointed Commission. The Vice-President has become a de facto gate-keeper and has the tools (basically veto power within the internal structure of the Commission) to stir proposals in the required direction.

The Energy Union was officially launched on 25 February 2015. On this occasion Maroš Šefčovič called the proposal the “most ambitious energy project since the coal and steel community” (EUobserver 2015). While Tusk’s original proposal concerned only natural gas, the Energy Union as introduced by the Commission is more broadly conceived when it comes to energy issues as well as sources. The Energy Union consists of five mutually interwoven dimensions that cover all areas of energy: a) energy security, b) the internal energy market, c) energy efficiency, d) decarbonising the economy, and e) research, innovation and competitiveness (European Commission 2015). The Energy Union also proposes “fifteen action points” – a list of measures necessary to fulfil the Energy Union’s objectives. Thus, the Energy Union de facto creates a common European energy policy as it covers basically all areas of energy policy. However, this can also be its main challenge: since the Energy Union tries to be feasible for every Member Country, it is very vague and rather wide.
Although the European Council approved the Energy Union proposal on 19 March 2015, it pointed out that “the confidentiality of commercially sensitive information needs to be guaranteed” and confirmed that “the right of Member States to decide on their own energy mix is respected” (European Council 2015). The Council thus reacted to the most ambitious points of the proposal – joint purchases of gas. These, however, have already been watered down based on previous criticism of the Member States that wanted to keep the ability to negotiate deals with third parties in their own hands.

The Commission published the State of the Energy Union 2015 in November 2015 in order to evaluate the progress of the project after nine months and identify its main challenges (European Commission 2015a). One of the key messages provided by this document is that 2016 will be crucial for the Energy Union as it will be a year of implementation of the project: the Energy Union itself does not create any new rules in the energy area at the Community level or new commitments for the Member States. All it does is propose the direction the European Commission wishes to go in the energy area in the future. It is the legislative stemming from the Energy Union that will set new rules in the energy area at the EU level. However, such rules have to first be proposed and adopted by the Member States.

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