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**NOTE**

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from: General Secretariat of the Council  
to: Delegations  
Subject: Partial summary of the meeting of the **Committee on Industry, Research and Energy (ITRE)** of the European Parliament, held in Brussels on 23 July 2013

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A first regular ITRE meeting chaired by Mr Buzek (EPP, PL). Newly elected MEPs represent around 60% of ITRE members. Mr Buzek demonstrated his personal involvement in some ITRE files (he was appointed ITRE rapporteur for an opinion on the 2015 budget and on the TTIP). At the meeting, the Commission presented the Communication on the European Energy Security and briefed MEPs on TTIP negotiations. During an exchange of views on the 2015 EU budget, the rapporteur, Mr BUZEK, stated that he wanted to go back closer to the Commission proposal.

**5. Communication on the European Energy Security, presentation by the European Commission Director-General, Dominique Ristori**

Mr RISTORI presented the Communication on the European Energy Security Strategy adopted on 28 May 2014. He set out areas where decisions or actions had needed to be taken in the short, medium and longer term to respond to energy security concerns and dependence. He indicated that a preliminary agreement had been found regarding a reduction of energy winter prices in the context of the discussions between the EU, Ukraine and Russia, adding that negotiations should be re-launched in the following weeks.

During the debate, coordinators of political groups - or MEPs speaking on their behalf - intervened as follows:

- Mr GYÜRK (EPP, HU) supported the Commission strategy. He called on the Commission to study the good practice of Hungary consisting of obligatory stockpiling of gaz. He also encouraged the Commission to proceed with obligatory reverse flows.
- Mr NICA (S&D, RO) stressed the key role of energy infrastructures. In the context of negotiations with Russia, he wondered whether it would be possible to have one single price arrangement with Russia and whether it would be WTO compatible. He also asked about the Commission position on energy resources in the Black Sea.
- Mr JACKIEWICZ (ECR, PL) deplored the lack of solidarity between Member States to support the energy security of Ukraine. He considered that unconventional gas should enhance energy security in the EU. He also felt that the Commission document, when placing a strong emphasis on climate change policy, was contrary to the objective of Member States' independent choice of energy mix.
- Mr PETERSEN (ALDE, DK) took the view that binding targets should be required for renewables energy.
- Mr SYLIKIOTIS (GUE/NGL, CY) underlined the need for citizens to have access to cheap energy and to develop more public control on infrastructures. He considered that the Communication had no strategy regarding the development of renewables and was critical that there was no mention of the important reserves found in Cyprus.
- Mr TURMES (Greens/EFA, LU) considered that the weak point of the Communication was renewables. He wondered how do find investors in Ukraine gas pipelines, while several Member states were supporting Southstream.

- Mr HELMER (EFDD, UK) highlighted the importance of shale gas and criticised the Commission for funding environment lobby groups which were against shale gaz.

Mr RISTORI replied that increase of storage was of strategic importance and that the Commission intended to examine all best practices. He indicated that the creation of SK/UA reverse flows would be operational before next winter but that this should to be implemented for all interconnections in Europe, especially for vulnerable areas. He also referred to the need to promote a new gas hub in Southern Europe and to pay attention to developments in the Black Sea. He emphasised that the Commission fully supported Ukraine and was assisting it during energy negotiations with Russia. He made it clear that, in the current situation, the Commission had asked to suspend all aspects related to Southstream. He referred to the Commission Recommendation adopted last January recommending minimum principles for shale gas for Member States wishing to use this practice and aiming to ensure that proper environmental safeguards were guaranteed. He concluded by saying that renewables were part of the solution and that the Commission's ambition was to create the biggest market in the EU.

MEPs who took the floor afterwards referred to the need for the EU to speak with one voice in this area (Mr LEWANDOWSKI (EPP, PL)), to ensure interconnections' and infrastructures' security (Mr POCHE (S&D, CZ)), to set up a wide-ranging programme of energy economies (Mr SCHAFFHAUSER (NI, FR)). Ms del CASTILLO VERA (EPP, ES) and Mr ZORRINHO (S&D, PT) raised the importance of ensuring interconnection between France and the Iberian peninsula. Mr KELLY (EPP, IE) asked about the Commission position on LNG terminals. Mr VAN BREMPT (S&D, BE) pleaded for binding targets for energy savings and efficiency. Mr ERIKSSON (Greens/EFA, SE) argued for more renewables energies. Mr TAMBURRANO (EFDD, IT) also felt the need to move towards energy efficiency end renewables. Ms WERNER (S&D, DE) raised the sensitivity of shale gas in Germany. Mr MAŇKA (S&D, SK) mentioned the problem of the monopoly of Gazprom, raising the possibility of a central purchasing body to negotiate better prices from suppliers. Mme BERÈS (S&D, FR) asked about the link with the review of the 2020 strategy. Ms SAKORAFI (GUE/NGL, EL) and Mr STYLIANIDES (EPP, CY) asked how to develop energies in the Eastern Mediterranean and how this could lead to less dependency vis-à-vis Russian gas. Mr BAY (NI, FR) felt that nuclear energy was the safest and cheapest energy. He pleaded to avoid shale gas in line with the precautionary principle, adding that Russia should remain a privileged partner.

Mr RISTORI concluded by underlining the importance of interconnections and of adequate financial instruments. He considered that there was no contradiction between competitiveness, sustainability and security. He indicated that the Commission was in close contact with the Cyprus government and that the creation of the new gas hub in the Southern Europe would be a priority in the following months.

## **6. General budget of the European Union for the financial year 2015 - all sections**

The rapporteur, Mr BUZEK, indicated that he wanted to go back closer to the Commission proposal. Referring to the Council's position, he could not accept any cuts in the competitiveness and growth areas and added that some programmes would be in danger. The Commission representative was happy to have ITRE support and hoped to move forward. Mr TAJANI (EPP, IT), Mr GAHLER (EPP, DE), Mr RANSDORF (GUE/NGL, CZ) agreed with the rapporteur's approach.

Next steps

- Rapporteur will sent its draft opinion asap;
- Deadline for amendments: 19 August;
- ITRE vote : 2 September;

## **9. TTIP negotiations: briefing by the European Commission**

Mr GARCIA BERCERO, the EU's Chief TTIP Negotiator, briefed ITRE after the 6th round of EU-US talks which took place on 14-18 July. In general terms, he explained that, for the last year, work had been technical in order to prepare the ground for the political decisions that would need to be taken at a later stage. He referred to the three types of issues under discussion: market access issues (tariffs, services and public procurement), regulatory cluster, i.e. how to achieve regulatory savings without endangering EU/US protection (e.g. in the area of cars, pharmaceuticals) and other negotiations' areas (e.g.: energy, SMEs).

More specifically, he indicated that an exchange of offers had been made on tariffs where the EU had a strong offensive agenda. He also mentioned that there was not a lot of progress on public procurement, where non-discrimination was crucial for the EU but very sensitive for the US. On

SMEs, he said there was a lot of progress and that consolidated texts were being finalised, e.g. on easier rules of origin or easier access to information on regulatory requirements. As regards the Chapter on energy and raw materials, he mentioned that the EU was aiming for no unjustified export restrictions on gas and oil. He added that the US had not taken a decision yet about such Chapter given its political sensitivity.

During the debate, coordinators of political groups - or MEPs speaking on their behalf - intervened as follows:

- Mr TAJANI (EPP, IT) considered that an agreement with the US was crucial for the EU but stressed the need to negotiate on a level playing field, which had not always be the case in the past. He was happy with the Commission's firm line on tariffs barriers. He felt that gas and oil were of crucial importance and should be used as a leverage towards the US in the context of the Ukraine crisis. He asked about the state of play of discussions on the car industry.
- Ms VAN BREMPT (S&D, BE) was very concerned about the pressure against the EU on shale gas. She wondered whether energy and climate change would be part of the negotiations, referring to NGOs' position on that matter. She recalled that S&D support on the TTIP would be needed at the end of the day
- Mr GRÓBARCZYK (ECR) stressed that access to markets for SMEs was very important. Following the impact of the Ukraine crisis, he felt that the EU approach on energy and shale gas had to change and asked whether the negotiating mandate should be amended in this regard.
- Ms MLINAR (ALDE, AT) called on the Commission to launch pro-active information campaigns about the benefits of the TTIP.
- Mr TURMES (Greens, LU) asked whether national parliaments would have to ratify the agreement. He referred to the speech of Mr JUNCKER in the EP last week where he said that he would not accept that the jurisdiction of courts in the EU Member States would be limited by special regimes for investor disputes. On shale gas, he had the sense that the US would rather preserve the comparative advantages of its market rather than supporting the EU.

- Mr SYLIKIOTIS (GUE/NGL, CY) had the impression that this partnership would affect SMEs negatively and provide no measures to protect labour rights and collective agreements in the EU. He also raised the negative environmental impact of shale gas.
- Mr TAMBURRANO (EFFD, IT) referred to the EU precautionary principle and legislation regarding shale gas.

Mr GARCIA BERCERO explained current US laws on gas and oil. He mentioned in particular that once an FTA is in place, automatic licenses would be given by the US for export of gas but that it would not be the case for oil. He added that the issue was not solved in the US given its sensitivity but that the EU had a firm position on the matter. He recalled that exploitation of shale was a sovereign decision of Member States, which was out of the scope of the TTIP negotiations. On climate change, he mentioned that the EU had a good cooperation with the US but that the issue was not discussed in the TTIP. He said that the Commission was communicating the benefits of TTIP but that it should also be done by other actors. He felt that the negotiating mandate was clear and that it was not necessary to have a new one at this stage. He also said that the Commission would carefully analyse the outcome of the consultation on investment protection and investor-to-state dispute settlement (ISDS). On cars, he replied that work could result in some cases in mutual recognition and in others in harmonisation. Finally, he said that Commissioner DE GUCHT expected that the TTIP would likely be a mixed agreement which would require national parliaments' ratification.

MEPs who took the floor afterwards asked about the next steps (Ms del CASTILLO VERA, (EPP, ES)), WTO negotiations (Mr RÜBIG (EPP, AT)), investment protection (Ms NIEBLER (EPP, DE)), protection of public services (Ms GRIFFIN (S&D, UK)), core labour rights (Mr KOFOD (S&D, DK)). Mr FEDERLEY (ALDE, SE) and Mr ERIKSSON (Greens/EFA, SE) called for more transparency in the negotiations. Ms SAKORAFI (GUE/NGL, EL) was concerned that the TTIP would increase the power of multinational corporations.

Mr GARCIA BERCERO replied that there was no single consolidated text at this stage. He added that the next steps would consist in moving towards more complex aspects, with the hope to complete the agreement under the Obama administration. He hoped that discussion on more difficult political aspects could start by spring 2015. He mentioned the Commission transparency efforts, while balancing it with the need to maintain trust with our partner. He said that there was an expectation to include provisions on the respect of core labour rights. He added however that the EU would not make any commitments on public health, public education or water.

**11. Next ITRE meetings:**

- 1 September (afternoon)
- 2 September (full day)

The calendar of meetings for the remainder of 2014 was confirmed and is available on:  
<http://www.europarl.europa.eu/committees/en/itre/meetings-search.html#menuzone>

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