



**Euronest Parliamentary Assembly
Assemblée parlementaire Euronest
Parlamentarische Versammlung Euronest
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Committee on Energy Security

18.05.2017

DRAFT REPORT

on ‘Enhancing energy cooperation within the Eastern Partnership, towards the implementation of 2015 Paris Climate Change Agreement’

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EURONEST PARLIAMENTARY ASSEMBLY – DRAFT MOTION FOR A RESOLUTION

on ‘Enhancing energy cooperation within the Eastern Partnership, towards the implementation of 2015 Paris Climate Change Agreement’

The EURONEST Parliamentary Assembly,

- having regard to the Constituent Act of the EURONEST Parliamentary Assembly of 3 May 2011,
- having regard to the Joint Declaration of the Eastern Partnership Summit of 21 and 22 May 2015, in Riga,
- having regard to the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol thereto,
- having regard to the Paris Agreement and the decision 1/CP.21 of the Conference of Parties, held in Paris, from 30 November to 11 December 2015,
- having regard to the 2030 Agenda for Sustainable Development adopted at the United Nations Sustainable Development Summit on 25 September 2015, in particular the 2003 UN Sustainable Development Goals 7 “Affordable and clean energy” and 13 “Climate action”,
- having regards to Euronest Parliamentary Assembly’s resolution of 22 March 2016 on ‘Policy development on unconventional gas and potential energy market impacts in the EU and Eastern European Partner countries’,
- having regard to the Association Agreements between the EU on one side and Georgia, Moldova and Ukraine on the other side, in particular the provisions for cooperation on energy,
- having regard to the Agreement (Comprehensive and Enhanced Partnership Agreement – CEPA) initialled on 21 March 2017 between the EU on one side and Armenia on the other side, in particular the provisions on energy cooperation,
- having regard to the European Parliament resolution of 6 October 2016 on the implementation of the Paris Agreement and the 2016 United Nations Climate Change Conference in Marrakesh,
- having regard to the EU Members States and Eastern European partners ministerial declaration of 18 October 2016 on environment and climate change in the Eastern Partnership,
- having regard to the Commission communication of 30 November 2016 on ‘Clean Energy for all Europeans’,
- having regard to the Commission and External European Action Service joint staff working document of 15 December 2016 on ‘Eastern Partnership - Focusing on key

priorities and deliverables',

- A. whereas at the United Nations Climate Change Conference in December 2015, in Paris, 193 signatory countries reached a global agreement setting out goals and mechanisms for responding to climate change and establishing binding obligations; whereas in Paris, the EU made the commitment to achieve by 2030, at least 40% domestic reduction of greenhouse gas emissions compared to 1990; whereas on 4 November 2016, the Paris Agreement entered into force;
- B. whereas to reach deep emissions reduction, the Parties to the Paris Agreement have to tackle the carbon intensity of their energy systems and implement ambitious strategies for driving a transition to low-carbon markets in a global economy;
- C. whereas the 2015 Riga Eastern Partnership Summit participants reiterated their intention to deepen further bilateral and multilateral cooperation in the sphere of climate change and energy; whereas in line with the November 2015 review of the European Neighbourhood Policy, the EU and the Eastern European Partners have provided greater attention to energy security and climate actions;
- D. whereas under the European Neighbourhood Instrument and its second phase of multi-annual programming until 2020, the EU identifies key priorities for energy cooperation under the Eastern Partnership, in accordance with the priorities set in Riga and the twenty deliverables for 2020, proposed by the Commission and the EEAS joint staff working document of 15 December 2016;
- E. whereas the EU has set the foundations of an EU-wide Energy Union, as an instrument to attain secure, sustainable, competitive energy for every European; whereas the Energy Union's objectives are to integrate Europe's energy sector, to tackle the issue of fragmented energy markets through more effective coordination of energy policies and to foster investments in new capacity and infrastructures for diversifying energy supply; whereas through these aims, the Energy Union supports the delivery of the EU commitments to the Paris Agreement;
- F. whereas the Eastern European Partners face a growing demand for energy at a higher speed than the EU average; whereas their economies are much more energy-intensive than the average EU Member State and this energy inefficiency hampers their efforts to tackle climate change;
- G. whereas the Eastern European Partners are at the early stage in progressing towards a free market and market-set pricing in energy sectors; whereas lacks of reforms in energy regulatory frameworks and of investments from private sector hamper transition towards a liberal market of energy;

Pursuing common political objectives and living up to commitments

1. Shares the views of the Parties to the Paris Agreement on climate change as the latter poses threat to peace and stability, world economic prosperity, poverty reduction and sustainable development; welcomes the commitment of the Parties to carry out collective actions in limiting the increase in the global average temperature to well below 2°C above pre-industrial levels and avoiding significant adverse climate impacts;
2. Expresses its satisfaction on the commitment of all the EU Member

States and the Eastern European Partners to the Paris Agreement and asks the authorities of the countries that have not yet done so, to quickly complete the process of ratification; takes note of the “Intended Nationally Determined Contributions” (INDCs) submitted by the EU Member States and Partners in order to reduce greenhouse gas emissions; urges the governments of EU Member States and Partners to upgrade their INDCs, in line with the Paris Agreement and the UN 2030 Sustainable Development Goals; underlines the Parties’ obligation to monitor, report and verify the levels of greenhouse gas emissions in a transparent way;

3. Believes that achieving the objectives set by the Paris Agreement will require major and structural changes in the economies and energy systems of the Parties, including a progressive shift towards a more diversified energy mix, promotion of low emission energy sources and energy efficiency improvement in transport and building sectors;
4. Underlines the key role of renewable energy development and improved energy efficiency in reducing greenhouse gas emissions across energy sectors and in thus contributing to reach the individual commitments of the Parties to the Paris Agreement; believes that policies towards promoting renewables and energy efficiency are vectors of economic growth and employment; calls on the authorities of EU Member States and Eastern European Partners to enhance renewables and energy efficiency national plans, with further incentives to energy savings across all economic sectors, in particular building and transport; also calls for integrating renewables and energy efficiency policies in all areas relevant to energy production, transportation, distribution and storage;
5. Stresses that integrating large quantities of electricity generated from renewable energy sources requires upgrading of grids, including regional and trans-boundary cooperation which would ensure their interoperability; calls on the Commission and the authorities of the Eastern European Partners to facilitate the development of interconnection infrastructures and smart grids;
6. Supports market-based energy policies based on open and fair competition among energy providers and market transparency; stresses that the EU’s Energy Union entails the creation of a pan-European energy market, in which the Eastern European Partners are important players; urges the Commission and the authorities of Eastern European Partners to continuously review market rules and propose adaptations in order to allow a more favourable environment for investments in renewables and energy efficiency projects; emphasises the importance of creating incentives for renewables that would ensure a level-playing field for renewables and fossil fuels, and in a long term, of removing subsidies for established sources of energy production that distort energy markets;
7. Stresses the necessity of ensuring an attractive business climate and appropriate regulatory framework in order to encourage private sector to invest in renewables, their energy transmission infrastructures and the trading of renewable-generated power across borders;
8. Calls on the authorities of the Partners which are associated to the EU to speed up the approximation of their legislations to the EU legislation relating to climate change and energy, which are stipulated in the Association Agreements; in this regard underlines the importance of cooperation with the Energy Community and welcomes the recent

membership of Georgia to this organisation;

9. Calls on the Commission to increase its support and assistance with capacity building to the Eastern European Partners that are engaged in implementing measures having an impact on greenhouse gas emissions reduction;
10. Underlines the key role of gas in transition towards low-carbon intensity of energy systems in Europe; considers in this regards, that diversification of gas sources and routes of supply is key to energy security of EU Member States and Eastern European Partners and their capacity to achieve their commitments on climate change policies; welcomes the opening or development of gas pipeline interconnections, the Southern Gas Corridor and new facilities allowing exports/imports of liquefied natural gas as well as domestic production, including extraction of natural gas from unconventional sources; notes that new routes shall not lead to increased dependency on dominant gas suppliers; stresses that building the North Stream 2 subsea pipeline will negatively impact regional gas market and, in particular, will have a detrimental effect on Ukraine's gas transmission system;
11. Takes the view that every state is sovereign for its choices regarding its own energy mix; reiterates, however, its call on Belarusian authorities to halt the construction of the Ostrovets nuclear power plant until a truly independent environmental impact assessment of its development and operation is carried out in an open and transparent manner, in full compliance with the highest international nuclear and environmental safety standards; also calls for the involvement of all stakeholders in the assessment process, in order to ensure that no compromises are made at the expense of environment protection and nuclear safety;

Enhancing cooperation on energy policy-making and extending success-proven programmes

12. Welcomes the joint commitment of the EU and the Eastern European Partners to step up cooperation on environmental challenges and climate change, and promoting sustainable and inclusive economic development, as reaffirmed by the declaration of the first ever Eastern Partnership ministerial meeting held on 18 October 2016, dedicated to those issues;
13. Supports the priorities for the Eastern Partnership in the energy field until 2020, as set out in the second phase of the multi-annual programming of the European Neighbourhood Instrument; believes that those priorities are in line with the objectives of the Paris Agreement;
14. Emphasises the importance of research and innovation into climate change and energy policies; calls on the EU and the Eastern European Partners to develop cooperation on resource-efficient and low-emission technologies, their transfer and innovation in order to increase adaptive capacity of their economies;
15. Welcomes the Eastern European Partners' efforts aimed at diversifying their energy sources, for example Moldova's successful implementation of the EU-funded "Energy and Biomass project", which has contributed to the increase of the production of renewable energy resources and the diversification of energy supply in the country; welcomes the efforts of Georgia and Ukraine in increasing the energy efficiency

measures in residential sectors;

16. Welcomes the recent expansion of the Eastern Europe Energy Efficiency and Environment Partnership on all Eastern European Partners which aims to accelerate the implementation of important energy efficiency and environmental projects;
17. Strongly supports the commitment for the period 2016-2020, taken in the framework of the Covenant of Mayors East (CoMO East) which bring together thousands of local and regional authorities working together towards implementing EU climate and energy objectives; encourages municipalities in the Eastern European Partners to implement their sustainable energy and climate actions plans with the financial support of CoMO East, while seeking methods for scaling up investments;
18. Welcomes the expansion of the EU4Energy initiative to all Eastern European Partners, which aims to improve legislative and regulatory environment, to enhance investment climate as well as to contribute to cooperation by means of key infrastructural projects; supports the EU-funded Clima East policy project, which provides support to the Eastern European Partners to deal with climate change policies, and the close cooperation of the ministries of environment, ecology and nature protection of the six Partners with the Commission aiming to implement the Paris Agreement;
19. Welcomes the cooperation between the EU and Eastern European Partners in securing gas deliveries, notably the natural gas reverse flow capacities to Ukraine from Hungary, Poland and Slovakia as well as to Moldova from Romania;
20. Supports the alignment of financial instruments with policies and plans promoted by the EU, Eastern European Partners and international financial institutions aiming to promote energy efficiency and increasing renewable energy production;
21. Instructs its Co-Presidents to forward this resolution to the President of the European Parliament, the Council, the Commission, the Vice-President of the Commission/High Representative of the EU for Foreign Affairs and Security Policy, the Commissioner for European Neighbourhood Policy and Enlargement Negotiations, the European External Action Service, the governments and parliaments of the EU Member States and the Eastern European partner countries.