

Parliament of Romania  
Chamber of Deputies

Ref. No: 1/1524/VZ

Date: 16 April 2013

**Opinion**  
**regarding the Communication for the Commission to the European Parliament, the**  
**Council, the European Economic and Social Committee and the Committee of the**  
**Regions**  
**Making the internal energy market work**  
**COM(2012) 663**

Having regard to the Treaty of Lisbon, and in particular Articles 5 and 12 TEU and Protocols 1 and 2 annexed to the Treaty,

Having regard to the Constitution of Romania, republished, in particular Article 148 thereof,

Having regard to Decision No 11/2011 of the Chamber of Deputies,

Taking into account the final draft opinion presented by the Committee for European Affairs at its meeting of 6 March 2013,

Having regard to the approval given by the Permanent Office of the Chamber of Deputies on 8 April 2013,

The Chamber of Deputies, acting in accordance with Article 40 of its Decision No 11/2011 of 27 April 2011, hereby adopts this opinion:

The Chamber of Deputies welcomes the following key aspects addressed in the Communication, on the basis of a consistent and reasoned estimation of trends and special concern for Europe's common future, as a global player, close to its citizens:

A. Regarding the internal energy market not as an end in itself, but as a key instrument in delivering what EU citizens aspire to most: economic growth, jobs, assurance that their basic needs will be covered at an affordable and competitive price and sustainable use of limited resources;

B. Reaffirming the advantages of integrated European energy markets and the establishment of procedures to ensure that the market achieves its full potential as soon as possible, and meets the needs and expectations of EU citizens and businesses;

C. The priority given to improving the mechanisms for ensuring sufficient capacity, with a view to rectifying the shortcomings in their design, which tends to distort investment signals and which is far from ensuring adequate output or security of supply;

D. The concern for increasing consumers' capacity to control their energy costs, given that energy prices are likely to continue to rise in the future, as a result of, inter alia, unrelenting global demand for fuel and because maintaining and modernising the EU's ageing energy systems require investments.

Following an analysis of the integration of the EU's horizontal policies and the continuity of sectoral policies, the Chamber of Deputies would submit to the European Commission the following aspects of interest:

1. In many parts of the Communication, the focus is on networks and macroeconomic measures which involve cross-border issues. This approach suggests that the main economic operators targeted by the analysis are large companies, corporations. At the same time, the references to SMEs are almost non-existent. After having examined the Communication 'Roadmap to an energy-efficient Europe' [sic] COM(2011) 571, in December 2011, the Romanian Parliament sent the European Commission the recommendation to take into consideration aspects relating to economic size. Similarly, the 'Small Business Act for Europe' (COM(2008) 394 final) provides that 'first and foremost, society must recognise the importance of entrepreneurs' [sic].

In this context, the vision of an ever more integrated European market must give more consideration to small and medium-sized enterprises. Thus, section 3.1.2 ('Ensuring a level playing field') in particular should pay special attention to including SMEs in its objectives - alternatively, the Commission could address the objectives set out in the Communication in question in much more detailed working documents referring to the inclusion of SMEs - as energy consumers, but also as energy producers.

2. The communication links the energy market to the European Union's emissions trading scheme, and in this context states that 'the market can secure optimum investments and ensure the quality of our electricity systems in the future' (section 3.3.1). However, we should not disregard the undesired effects that emissions allowances, if administered incorrectly, can have in distorting the energy market, or the potential negative impact that they can have on the environment by encouraging the production of renewable energy (e.g. hydropower or wind power) where, in the absence of those allowances, it would not have been economically feasible to make any investment in energy infrastructure.

In this context, the Chamber of Deputies welcomes the statement that 'the Commission is in the process of reviewing the guidelines on State aid for environmental protection to reflect changes in the technological landscape and EU policy objectives in the energy sector, while minimising competition distortions in the internal market', taking into account that not only the distortion of competition can be regarded as a negative impact in this context, but also the deterioration of environmental conditions as a result of less justified stimulation of energy production. It would be useful to re-examine these aspects in the light of COM(2011) 571 'Roadmap to an energy efficient Europe' [sic], the European environmental strategy and plans, and the policies on climate change.

3. In our opinion, at EU level there is a need to implement newly developed or changed policies in an integrated way, which is obvious especially in the area of energy. Thus, agricultural policies aim at increasing output and ensuring food security, given that part of the agricultural land has been reallocated to the production of biofuels as a result of policies aimed at ensuring energy security. In addition, the environmental plans and strategies encourage the production of renewable energy, which is by its nature generally small or medium-scale, while energy policies focus, as mentioned above, on networks and economies of scale.

In this context, we are concerned that such efforts might disregard the fact that the final impact on citizens is an aggregate of the results of all these policies, and we would invite the European Commission to discuss this issue.

4. Ensuring the functionality of certain regional markets, including that comprising Romania, Bulgaria and Serbia, would probably require the European Commission to put forward a coherent support strategy.

5. One of the basic aspects of coordination at EU level is the need to decouple energy consumption from economic growth. This indicator continues to vary from one Member State to another. We believe that, in order to have a broader picture of the energy market and stimulate European integration, the impact of homogenising this indicator should be taken into account. This approach would probably also ensure avoidance of a differentiated impact of market integration on regional economies and on the welfare of European citizens.

This opinion is addressed to the Presidents of the European Parliament, the Council and the European Commission, and to the Romanian Government.

President,  
Valeriu Ștefan Zgonea