R16new ENERGY INDEPENDENCE AND INFRASTRUCTURE: Towards a truly interconnected and sustainable energy market

Proposers:

Agenda item: 4. Resolutions

Motion text

Since the creation of the European Union, energy has been a crucial aspect of the European integration process, to the point that two of the three founding Treaties revolve around the energy sector. In Articles 114 and 194 of the Treaty on the Functioning of the European Union it is stated that Union policy on energy shall aim, in a spirit of solidarity between Member States, to ensure security of energy supply in the Union and promote the interconnection of energy networks. The European Union (EU) also believes that the promotion and protection of human rights around the world is a legitimate concern of the international community. The EU is bound by its Treaty to promote human rights, democratization and development.

Currently, the European energy market is regulated according to the TEN-E regulation, which allows the Union to meet its core energy objectives by laying down rules for identifying and the developing Projects of Common Interest (PCIs). These will ensure the interoperability of trans-European energy networks, the functioning of the internal energy market, the security of supply and the integration of renewable forms of energy.

Despite this, however, the current energy markets in Europe are still very regionalized. In part, this is due to a lack of energy infrastructure connecting Member States. Improving the interconnectivity of the energy market has several benefits: improved security supply, increased efficiency and increased competitiveness. This aligns well with the energy strategy that EU has stated previously, which is based on the pillars of securing an expanding supply of energy from both domestic and foreign sources, developing a more competitive internal energy market, and encouraging and supporting environmental protection and development of clean and renewable energy sources. Additionally, the new energy market of the EU is expected to encourage diversification and flexibility to react to market conditions across the countries. It also provides a more powerful bargaining position for European energy companies when sourcing energy in global markets, since there is a larger range of options available with regard to supply routes and there is better access to customers.

However, there are still many contradictions within EU energy policies and fossil fuels phase out is being blocked by the Energy Charter Treaty. This allows energy corporations to put forward compensation claims to states if the former deem their investments and expected profits have been damaged by policy changes. This has led to climate friendly policies becoming a financial risk for all states as big fossil fuel companies are currently suing European states for fossil fuel phase outs and demand several billion euros.

It is acknowledged that the EU has committed to comply to standards of democracy and to support human rights in foreign relations, in accordance with the founding principles of the Union itself, that is the principles of liberty, democracy and respect for human rights, fundamental freedoms and the rule of law. Given its current dependence on multiple energy suppliers, however, the EU’s ability to promote its interests and values risks to be limited when energy imports are supplied by countries with different values, even countries that violate human rights. Human rights are considered of vital importance to the EU, but when it comes to energy imports suddenly not.

While the Treaty on the European Union states that foreign policy should 'consolidate and support democracy, the rule of law, [and] human rights', the European Union has been criticised for putting its needs for energy imports before the aforementioned values: in accord with a study by the NGO Freedom House, Norway is the only country out of the EU’s main oil and gas suppliers to meet international standards of democracy, unlike the remainder (Nigeria, assessed as “partly free”, and Russia, Iraq, Kazakhstan, Saudi Arabia, Algeria, Qatar which are defined as authoritarian states). Moreover, some if not most of these countries have been known to violate human rights, in the energy sector, but outside of that as well. By importing energy from these countries, these regimes profit from European money, which does nothing to stop the abuse of human rights by these regimes. However, it is possible to change the EU energy market. For example, the European Parliament has instated several sanctions against Russia and is debating issuing even heavier sanctions, but is yet to accept an energy boycott at the moment of writing. Clearly, it is possible for countries in and outside the EU to take action against authoritarian governments when it comes to upholding our values, including the respect for (fundamental) human rights.

Not only would the European Union benefit from an increased energy independence in reference to human rights and democracy, it would also strengthen energy security and contribute profitably to the project of decarbonisation of the energy sector. It is time to clearly condemn dependence on energy imported from countries with authoritarian regimes and that contribute to the violations of fundamental human rights.

The current situation does not only imply the EU is financing authoritarian regimes as well as the Russian war against Ukraine, but it is also allowing

Energy Companies to attain huge profits at the expense of consumers. Energy prices are rising exponentially, while fossil fuel companies are making record profits. Governments spend millions of tax money on subsidizing them. At the same time, the increasing inflation makes basic needs a luxury, while wages are drastically losing value. At this moment, many people cannot pay for their basic needs, don’t know how to pay their energy bills and homelessness is on the rise.

The economic system is deeply rotten, providing more and more money for the richest companies that massively destroy our planet and human lives, while the majority of peoples‘ living situations become more precarious than ever and energy poverty spiking dramatically among countries. Although there is not one common definition of energy poverty between Member States, it is generally described as a situation in which households are unable to access essential energy services. This can only be tackled by a drastic revolution of our energy system. Only by phasing out fossil fuels by 2030 and massively increasing subsidies, jobs and resources in renewable energies, the earth overheating can be limited, while at the same time ensuring a democratization of the energy system and the European independence from authoritarian regimes that are a serious threat to human lives and human rights. Moreover, stronger and better-connected energy infrastructure can go a long way in reducing energy poverty.

This can only be tackled by a drastic revolution of our energy system. We need comprehensive European-wide reform of our energy policy - one that intersectionally addresses both the energy transition and energy poverty - via sweeping phase-outs of fossil fuel by 2030, the stopping of subsidies, and comprehensive environmental taxes, complemented by pioneering action to revolutionise and connect the European energy grid, redirect subsidies and funding to renewable energies, limit and stabilise prices, and ensure all households have access to affordable energy. Unprecedented times call for unprecedented action, only in so doing can the earth overheating be limited, while at the same time ensuring a democratisation of the energy system - one that is coordinated, green, interconnected and based on solidarity; that is independent from authoritarian regimes that are a serious threat to human lives and human rights; and that ensures the right to energy is a right for all.

The Federation of Young European Greens, with regards to the goals expressed in the EU Green Deal, calls on the EU and the governments of Member States to:

1. Develop a legislative and policy framework to create a more interconnected European energy market to assist and support the energy transition towards renewable sources, with the aim of further improving storage and transfer capacity and reducing costs and therefore prices in order to achieve energy independence, by:

    1. Granting the European Parliament, Commission and Council the

118 legislative authority to regulate the energy market and energy
119 infrastructure supranationally through EU legislation;

120 2. Initiating the grounds for legislation to regulate the international
121 European energy market and improve supranational connection between
122 energy markets of Member States, for example by establishing an
123 independent body to compile and assess the current bilateral energy
124 trade agreements between Member States and third countries, and to
125 assess the deficits and strengths in the energy infrastructure of
126 each Member State;

127 3. Pulling out of the Energy Charter Treaty as soon as possible and
128 stopping its further expansion

129 4. Enshrining the right to energy within the European Charter of Human
130 Rights and in European energy law.

131 2. Based on this framework, to implement and develop an interconnected and
132 improved energy infrastructure in Europe, as achieving this is an
133 essential step to ensure a functional and efficient European energy
134 market, as well as a necessity for more sustainable energy supply, by:

135 1. Investing in and facilitating the building of more energy
136 infrastructure in and between Member States with significant
137 infrastructure deficits to enable improved storage and sharing of
138 energy, such as but not limited to flexible power grids, better
139 demand-response technology, electric vehicle charging, and energy
140 storage;

141 2. Investing in improving energy infrastructure where it already
142 exists;

143 3. Implementing the connection of energy infrastructure across Member
144 States in order to facilitate the creation of a European energy
145 network;

146 4. Investing in and stimulating research on sustainable technologies
147 such as, but not limited to, energy reduction, energy storage and
148 energy production;

149 5. Offering targeted assistance and investment support to ensure energy
150 infrastructure has similar quality across Member States.

151 3. Based on this framework, to implement and develop a Europe-wide energy
152 strategy for a transition to a green and just energy system policy that
153 addresses energy poverty by:

1. Developing just transition plans which rapidly phase out fossil fuel usage while minimising the socio-economic disruptions to workers and communities;

2. Ensuring that all people, especially those with lower income, have access to energy by implementing effective measures that keep energy prices affordable as well as energy supply sufficient, such as a moratorium on energy bills until energy supply and inflation rates are stabilised, a cap on energy prices, and comprehensive storage and connection infrastructure as proposed above;

3. Redirecting all fossil fuel subsidies into renewable energy projects on state as well as consumer-level, while ensuring that this is complemented by measures that guarantee access to energy, especially of low income households, such as those proposed in 3.2;

4. Implementing Europe-wide taxes. Firstly, increased taxes specifically on fossil fuel companies as well as a windfall tax and caps on their profits. Secondly, more broadly, a carbon tax on corporations throughout Europe for their emissions within and outside Europe. The resulting funds should be directed to measures addressing energy poverty, energy infrastructure and the energy transition.

With regards to the violation of human rights by the governments of states such as, but not limited to, the Russian Federation, Kingdom of Saudi Arabia and the United Arab Emirates, FYEG calls on the EU and the governments of European countries to:

1. Condemn in the strongest terms the violation of human rights by authoritarian governments of energy-exporting states;

2. Based on these violations of human rights to aim for independence from importing energy from these states via the ending of current energy trade agreements as soon as possible;

3. Henceforth ensure that any future energy trade agreement is contingent to a set of minimal standards including but not limited to respect of human rights and rule of law wherein:

    1. States which breach the most egregious violations of human rights will no longer be considered as viable options to import energy from, whereas

    2. States which fall short of meeting the minimal standards yet abiding by a commitment to improve their respect for, among others, human

rights and rule of law will be considered, and

3. The assessment of the fulfilment of said criteria will be conducted by an independent body.