



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 06.05.1996
COM(96) 194 final

95/0126 (CNS)

Amended proposal for a
COUNCIL REGULATION (EC)
adopting a multiannual
programme to promote international cooperation in the energy sector - Synergy
programme

(presented by the Commission pursuant to Article 189 a (2)
of the EC-Treaty)

EXPLANATORY MEMORANDUM

The Commission presented on 6 September 1995 a proposal for a Regulation adopting a multiannual programme to promote international co-operation in the energy sector.

The Parliament delivered its opinion on 15 April 1996.

The Parliament's main concerns meet those of the Commission and amendments adopted reinforcing the initial proposal. Therefore they have been accepted by the Commission.

Only two amendments which question the competence of the delegation to the Commission have been rejected.

The Commission presents the attached modified proposal which takes into consideration most of the amendments adopted by the Parliament.

Modified proposal for a Council Regulation (EC) adopting a multiannual programme to promote international cooperation in the energy sector - Synergy programme (COM(95)0197 - C4-0432/95 - 95-0126 (CNS))

The modifications to the previous Commission's proposal as presented hereafter (references of recitals and articles are those of the previous proposal) are approved :

Commission text

Modifications

Recital -1 (new)

Whereas, for reasons of security of supply, the protection of the environment, the objective of sustainable development and the competitiveness of the Community's industries, energy matters must be an important element in the Union's international activities;

Recital 1a (new)

Whereas the conclusions of the Council of Ministers of Development and Cooperation of 18 November 1992 on the guidelines for cooperation with the developing countries for clean and efficient energy technology stressed that an essential objective of energy cooperation with all developing countries was the implementation of effective energy policies;

Recital 2

Whereas according to the Green Paper 'For a European Union energy policy' presented by the Commission international energy cooperation is essential owing to the increase in pollution due to the growth of consumption in the developing countries, the role of energy in the stability of society, whether in consumer or producer countries, the increasing energy dependence of the Community and the growth of world markets in production, transport, distribution and consumption technologies;

Whereas, as stressed in the Green Paper 'For a European Union energy policy' presented by the Commission, international energy cooperation is essential owing to the increase in pollution due to the growth of consumption in the developing countries, the role of energy in the stability of society, whether in consumer or producer countries, the increasing energy dependence of the Community and the growth of world markets in production, transport, distribution and consumption technologies;

Recital 2a (new)

Whereas the Community is engaged in international energy activities under various programmes and whereas, to ensure that these activities are complementary, they should be coordinated within a programme for energy policy cooperation with non-member countries;

Recital 3

Whereas this need for international energy cooperation can be satisfied by the creation of a cooperation and assistance programme on the formulation and implementation of energy policy in non-member countries; whereas in view of the Community's experience in this area and, in particular, of the steps it has taken since 1980, these activities should be based on a legal instrument capable of adjusting them to the various Community policies;

Whereas, as part of an overall Community energy strategy towards non-member countries, taking into account the variety of problems facing them, this need for international energy cooperation can be satisfied by the creation of a such a programme; whereas in view of the Community's experience in this area and, in particular, of the pilot schemes it has undertaken since 1980, in the development of renewable energy sources in accordance with the objectives of the Altener programme and initiatives such as the Madrid Declaration and action plan of March 1994, the Souse Declaration of January 1995, the Tunis and Athens Euromediterranean Conferences and the MEDA programme submitted at the November 1995 Barcelona Conference, the legal instrument on which this programme is based should allow all international energy activities - particularly those in the fields of renewable energy sources and energy efficiency - to be incorporated into a consistent, long-term strategy and adjusted to the various Community policies; whereas the principal objective would be to establish methods of rational energy use and make use of renewable energy sources whenever possible;

Recital 3a

Whereas this programme coordinates the Community's other measures in the energy sector; whereas there must therefore be no duplication with other Community programmes such as PHARE, TACIS, MEDA, INCO-COPERNICUS, ALURE or the 4th (later 5th) Framework programme for research; whereas all duplication with programmes of the Member States, non-Member States and international organizations must also be avoided;

Recital 4

Whereas the objectives of the programme envisaged cannot be attained, by reason of their wide-ranging nature, other than at a Community level;

Whereas the principal objectives of the programme, particularly the coordination of the various programmes of international measures and the development of an overall energy strategy, by reason of their wide-ranging nature, can be attained in the best possible manner at a Community level;

Recital 5a (new)

Whereas according to the Commission's Green Paper "For a European energy policy" political and trade relations are essential components of energy policy, and accordingly the Community's international energy cooperation measures should be integrated more effectively in its external policy and energy policy as a whole,

Recital 6a (new)

Whereas the Community's policy for international energy cooperation should stress the element of interdependence with its third partners.

Recital 10

Whereas it is necessary to coordinate this programme with other activities of the Community, Member States, non-member countries and international institutions;

Whereas it is necessary to coordinate the international activities of the Union in the energy field - particularly those concerning renewable energy sources and energy efficiency - with those of the Member States, non-member countries and international institutions;

Recital 10a (new)

Whereas this programme must be subject to a mid-term and a final assessment carried out by independent experts in accordance with the provisions of Article 10;

Article 1

A Community programme of assistance and cooperation with non-member countries in the field of the formulation and implementation of energy policy, hereinafter called 'Synergy', is hereby adopted.

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Article 2

SYNERGY shall be addressed to all non-member countries

SYNERGY shall be addressed to all non-member countries and first and foremost those countries and regions included in the priorities of the Community's external relations in terms of its political, security of energy supply and economic interests.

Article 4(1)

1. The purpose of Synergy is to provide assistance and cooperation with the definition, formulation and implementation of energy policy for non-member countries in areas of mutual interest.

1. The purpose of Synergy is to provide assistance and cooperation with the definition, formulation and implementation of energy policy for non-member countries in areas of mutual interest.

It shall make a contribution to the formulation and coordination of the Community's energy strategy towards non-member countries.

Article 4(2)

2. The objectives of Synergy shall be in accordance with the detailed rules set out in Article 6, in particular:

-to promote sustainable development, notably by reducing emissions of greenhouse gases and of pollutants linked to energy consumption,

2. The objectives of Synergy shall be in accordance with the detailed rules set out in Article 6, in particular:

-to promote sustainable development, notably by reducing emissions of greenhouse gases and of pollutants linked to energy consumption by encouraging in particular the rational use of energy, the clean combustion of fossil fuels, renewable energy sources, combined energy/heat production and use of waste heat from industry;

-to devise integrated initiatives involving the selection and implementation of projects relating to the development of renewable energy technologies in specific regions and locations in order to demonstrate how effective they are in improving the quality of life;

-to create networks specializing in the development and implementation of renewable energy technologies;

- to enhance the security of energy supplies, and
- to improve energy efficiency,
- the safety of power generation plant.

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- to improve energy efficiency,

To that end, the Community may maintain relations with international organizations in the energy sector.

To that end, the Community shall maintain intensive relations with international organizations in the energy sector.

Article 4(3)

3. In order to achieve the objectives referred to in paragraph 2, the Community shall contribute, in particular, to the financing of activities concerning:

- technical assistance and training,
- energy planning,
- the organization of conferences and seminars,
- the creation of institutions such as the energy centres.

Funding shall also cover costs related to the preparation, implementation, monitoring and evaluation of these operations, as well as costs concerning information and its dissemination. Taxes, duties and the purchase of immovable property shall not be funded.

No funding may be granted to research, development and demonstration projects. No funding may be granted to research, development and demonstration projects.

The programme's resources may also be used temporarily to support the operation of the Secretariat of the European Energy Charter Treaty.

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Funding shall also cover costs related to the preparation, implementation, monitoring and evaluation of these operations, as well as costs concerning information and its dissemination. Taxes, duties and the purchase of immovable property shall not be funded.

The programme's resources may also be used temporarily to support the operation of the Secretariat of the European Energy Charter Treaty.

Article 6(1)

1. An indicative programme covering the period referred to in Article 3(1) shall be established in accordance with the procedure laid down in Article 8(2), without this being a multiannual budget commitment.

This programme shall define the principal objectives, guidelines and priorities of Community assistance in the indicative areas referred to in Article 4(2). It shall indicate the objectives considered to have priority.

The programme may be modified in accordance with the same procedure during the period of its application.

1. An indicative programme covering the period referred to in Article 3(1) is established, in the Annex.

This programme shall define the principal objectives, guidelines and priorities of Community assistance in the indicative areas referred to in Article 4(2). It shall provide for the possibility for conducting emergency operations as called for by the Community's political commitments.

Article 6(4)

4. Contracts may also be concluded with international networks of study and research centres in order to define the contribution of these networks to the achievement of the objectives described in the indicative programme.

4. Contracts may also be concluded within the framework of the multiannual indicative programme set out in the annex, with international networks of study and research centres in order to define the contribution of these networks to the achievement of the objectives described in the indicative programme.

Article 7(2), third subparagraph

Negotiated contracts may be awarded for operations involving an amount of up to ECU 50 000. This amount may be revised by the Council on the basis of a Commission proposal, account being taken of experience gained in similar cases.

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Article 7(2), fifth subparagraph

Participation by natural and legal persons from other countries may be authorized by the Commission on a case-by-case basis if the programmes or projects concerned require specific forms of assistance specifically available in these countries, subject to reciprocity being granted by those countries.

Participation by natural and legal persons from other countries may be authorized by the Commission on a case-by-case basis for the duration of operations financed by the resources earmarked for these measures if the programmes or projects concerned require specific forms of assistance specifically available in these countries, subject to reciprocity being granted by those countries.

Article 9(3)

3. The Commission shall examine the various ways in which co-financing involving the SYNERGY programme, the bilateral assistance of the Member States and other community programmes might be promoted. It shall, in particular, ensure that any duplication of effort between SYNERGY and these other programmes is avoided.

3. The Commission shall examine the various ways in which co-financing involving the SYNERGY programme, the bilateral assistance of the Member States and other community programmes might be promoted. It shall, in particular, ensure both coordination and complementarity between the assistance for the beneficiary non-member countries provided by SYNERGY and the other Community instruments for international cooperation in the energy field in order to avoid any duplication of effort.

Article 10

1. Each year the Commission shall inform the European Parliament regarding the implementation of the SYNERGY programme in the course of the preceding year, with a view to

The Commission shall, by 30 June 1998, present a progress report on the implementation of the programme in the previous financial years. This report shall be addressed to the European Parliament, the Council and the Economic and Social Committee.

determining what progress has been made in the pursuit of a comprehensive energy strategy and what degree of coordination has been achieved with other programmes and measures of the Community, Member States, and non-member countries.

The Commission shall present an interim report by 31 December 1999 and, by 31 December 2001, a final report on the implementation of the programme in the previous financial years and the impact thereof in non-member countries and Member States, accompanied by the external assessment by independent experts on which it is based. This report shall be addressed to the European Parliament, the Council and the Economic and Social Committee.

The interim report shall be taken into account by the budgetary authority when evaluating the continuation of the funding within the annual budgetary procedure.

ANNEX (new)

INDICATIVE ACTION PROGRAMME

In the implementation of the Synergy programme and in the drawing up of the annual action programmes, the following guidelines all be taken into account.

The tasks of Synergy are to help achieve the Community's energy objectives as set out in the Commission's White Paper 'For a European Union Energy Policy':

- global competitiveness,
- security of supply,
- the environment.

Each of these objectives has a sizeable external component, as is made clear in the Green Paper. Synergy will implement energy policy according to its own logic. It also has to be complementary with international cooperation activities being conducted elsewhere in the Community.

The Synergy guidelines for 1996-2000 have been drawn up on that basis.

I. AREAS OF COOPERATION LINKED TO THE COMMUNITY'S ENERGY STRATEGY

(a) *Activities pursuant to the three objectives:*

- devising an energy policy for an enlarged Union;
- encouraging energy efficiency in non-Community countries;
- developing local and, in particular, renewable energy sources;
- encouraging regional energy integration;
- action to promote consistency in the implementation of Community programmes in specific regions (e.g. the Black Sea, the Mediterranean, the Gulf);
- action to encourage dialogue in respect of energy and South-South trade.

(b) *Global competitiveness:*

- support for European technology and undertakings to penetrate key markets in the energy sector in particular Asia and Latin America.

(c) *Security of supply:*

- dialogue with energy producing and exporting countries: Arabian/Persian Gulf, Russia, producer countries in America, Asia and Africa;
- encouraging dialogue between the European Community and the energy transit countries and the transit and producer countries in particular, by helping implement the provisions of the Treaty on the European Energy Charter;
- participation in and support for the work of international bodies in this sector: ministerial and producer/consumer conferences, International Energy Agency;
- support for the execution and financing of the investment that is needed in non-Community countries in the production and transit of energy, in particular by helping implement the Treaty on the European Energy Charter;

- support for the liberalization and opening up of the energy sector, helping draw up non-Community countries' energy policies in this new situation.

(d) The environment:

- Training decision-makers and staff in the energy industry of non-Community countries in environmental awareness;
- the transfer of European energy and environmental techniques, experience and information;
- encouraging clean technology, in particular for the combustion of coal in major consumers like China, taking the implications for energy policy into account;
- strengthening and supporting efforts to have environmental aspects taken into account in non-Community countries' energy policy and planning;
- helping improve nuclear safety in existing plant in Central and Eastern Europe and in the CIS.
- encouraging and helping non-Community countries to plan sustainable national energy policies and devising energy supply concepts in keeping with each different environmental situation.

II. GEOGRAPHICAL PRIORITIES AND COMPLEMENTARITY WITH THE COMMUNITY'S INTERNATIONAL COOPERATION PROGRAMMES

(a) Role and objectives:

Synergy has a leading role in international relations in the energy field.

It will thus promote energy cooperation in relations with non-Community countries and will have its energy objectives taken into account in the external cooperation activities carried out by other Community programmes (Objective 1).

Synergy will also help non-Community countries who are major producers or consumers of energy to implement energy policies compatible with the Community's and strengthen dialogue

and cooperation with those countries (Objective 2).

Synergy will also ensure that the projects it finances in pursuance of its energy objectives do not conflict or compete with Community international cooperation activities. Synergy's complementarity to other Community cooperation instruments is reflected in the fact that Synergy will allow the emergence and preparation of energy projects financed by other Community cooperation instruments (Objective 3).

(b) Geographical Priority areas

To obtain these objectives, Synergy will concentrate on the geographical priorities in the Community's external relations and will help achieve certain of the priorities in those relations.

The priority areas for Synergy action are listed below, with the related objective of that action (in brackets):

- Central and Eastern Europe, cooperation to prepare for the accession of the associate countries, including the approximation of the legislative frameworks for energy policy and the linking of networks (Objective 3); Former Yugoslavia (Objective 1);
- Former Soviet Union (Objectives 2 and 3);
- Mediterranean countries, in conjunction with Arabian/Persian Gulf producer countries (Objectives 2 and 3); Palestinian territories (Objective 1);
- Latin America: Mercosur and its member countries, Chile and Mexico (Objectives 2 and 3); Venezuela will also be a preferential partner but in respect of energy strategy (Objective 2);
- Asia: China, India and ASEAN (Objectives 2 and 3);
- Africa: specifically South Africa with, in particular, support for developing its relations with the other African countries (Objective 1).

(c) Emergency action

Synergy may also initiate any action required by sudden developments in the international situation.

III. FUNDING SYNERGY

(a) Reference amount

The reference amount for setting the attached table for the entire duration of the programme shall be ECU 50 m.

This amount shall not affect the powers of the budgetary authority.

(b) Apportionment of funds

The table which follows translates into financial terms (percentage) the guidelines described according to the activities corresponding to the objectives set and broken down by geographical priority areas. It is for guidance and does not constitute a commitment in respect of the allocation of funds. Some activities may relate to more than one area: thus energy efficiency and the development of local resources may both involve the promotion of European undertakings.

This apportionment shall apply for the entire duration of the programme.

(Amendment 26 (continued))

Indicative apportionment of appropriations (%) by type of action and implementation regions

Type of activity	General or inter-regional	Priority regions						Total
		Central and Eastern European countries	Former Soviet countries	Mediterranean, Arab/Gulf countries, Palestinian territories	Asia	Latin America	Africa	
Producer-consumer dialogue	4							4
Increasing energy efficiency and use of renewables		5	5	5	2	2	1	20
Developing local resources and concepts	1	4	8	10	1	2	3	29
Preparing adhesion		6						6
Integration	3		1	1	1	1	1	8
Promoting technologies and undertaking			4	1	1	2	2	10
Training and advice for decision-makers		3	3	3	1	2	2	14
Nuclear safety		2	3		1			6
Other evaluation	3							3
Total	11	20	24	20	7	9	9	100

ISSN 0254-1475

COM(96) 194 final

DOCUMENTS

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Catalogue number : CB-CO-96-203-EN-C

ISBN 92-78-03505-X

Office for Official Publications of the European Communities

L-2985 Luxembourg