



## “Energy”: a cross-cutting influence on EU widening and deepening

Workshop , 12<sup>th</sup> of November, 2008 at CEPS in Brussels

09:45 – 17:30

Several of the most challenging issues confronting the EU at present have a common root in one word: *energy*. There is, first and despite the recent decline, the much higher oil price which has had a pronounced effect on both the inflation rate and the relative prosperity of different economies. Second, Europe’s growing dependence on Russia as a provider of oil and gas has exposed a vulnerability to the use of energy as an instrument of foreign policy, while the political and security instability of so many of the other leading oil exporters exacerbates the problems. At the same time, Russia needs the EU, not just as a stable market, but also as a provider of investment and expertise. Energy is, consequently central to the development of the EU’s Neighbourhood Policy and has a strong bearing on wider Foreign and Security policy issues. Third, energy has become one of the battlegrounds of the internal market inside the EU, with competing views of how to structure energy markets and to regulate them. Overlaying these concerns is climate change. There is a growing consensus that the EU has to act, and do so quickly and more emphatically than hitherto, to accelerate the abatement of carbon emissions and to boost the supply of alternative energy. Climate change, however, is self-evidently a problem that goes beyond Europe’s borders and is characterised by a complex inter-play between economic, social and foreign policy considerations.

The EU has not lacked for initiatives that touch on energy and, in the Energy Policy for Europe currently being put in place, is developing what many regard as a bold approach to improving energy security and competitiveness, while also addressing climate change. Yet it is also clear that dealing with climate change will call for still more radical policies inside the EU, as well as new levels of international co-operation. However, the connections between energy policy and the Neighbourhood Policy are opaque, and there are conflicting views on whether the EU should act collectively or whether big decisions on energy should remain at the Member State level. Energy is therefore an intriguing test case for the manner in which the EU is widening and deepening, the core research question of the **EU-CONSENT network of excellence** which is the sponsor of the workshop.

The aim of this workshop was to cut across the different strands of analysis and debate on energy, with the aim of elucidating the ramifications for European integration and the options for EU policy.

The workshop was organised by Iain Begg, European Institute, London School of Economics, in collaboration with Juraj Draxler and Jorgen Mortensen of CEPS, Brussels. For further information please contact Iain Begg.

## Programme

10:00            **Introduction and welcome** – Iain Begg

10:10 – 11:30   **Session I: Energy security**

*Coby van der Linde*, Director of the Clingendael International Energy Programme, the Hague, ‘EU energy policy in a supply constrained world’

*Arianna Checchi*, CEPS, Brussels, ‘Sector-specific risks for security of energy supply in the EU’

Discussant – Iain Begg, LSE

11:30 – 11:45   *Coffee break*

11:45-13:15    **Session II: Russia, energy and the European Neighbourhood Policy**

*Lucio-Mauro Vinhas de Souza*, DG Ecfm, European Commission ‘Economic aspects of the energy sector in Russia and other CIS countries’

*Adina Crisan*, College d’Europe, Bruges: ‘Russia and the “Great Energy Game” in the Black Sea’ region

Commentary from *Stefano Silvestri*, President of the Istituto Affari Internazionali, Rome.

13:15 – 14:00   *Buffet lunch at CEPS*

14:00-15:30    **Session III: Negotiating climate change**

*Louise van Schaik*, Clingendael European Studies Programme, ‘The EU’s climate diplomacy’

*Marco Lombardo*, University of Bologna ‘EU energy law and climate change in an integrated approach’

Discussant – Carlo Trojan, Dutch Energy Council and former Secretary-General, European Commission

15:30-15:45    *Coffee break*

15:45-17:15    **Session IV: Contributed papers**

*Elisabeth Yoneva* ‘The Black Sea region in energy security’

*Jonas Graetz*, SWP Berlin, ‘Impact of the internal energy market on the utilisation of the EU-Russian interdependence potential’

*David Ellison and Attila Hugelcz*, Institute for World Economics, Budapest, ‘Why is there no carbon price on natural gas?’

17:15            **Conclusions**