## MOMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 19 March 1975

DRAFT RESOLUTION OF THE COUNCIL ON

FIXING A SHORT-TERM OBJECTIVE TO REDUCE OIL CONSUMPTION

(submitted by the Commission to the Council)



## SHORT TERM OBJECTIVE TO REDUCE OIL CONSUMPTION

## EXPLANATORY MEMORANDUM

- 1. During the discussion of the Council on 13th February 1975 the need to reduce oil consumption in the Community in short term has been generally accepted. However, the size of the savings to be achieved and the way in which it should done raised certain problems. The Commission therefore proposed to study these questions with the experts of Member States and to submit the results to the Council's next session on 23rd April.
- 2. After these various contacts and discussions and taking account of the proposals put forward in particular by the French and the Belgian delegations in the energy groups the attached resolution is proposed. While the figures have not been substantially changed, the presentation has been modified.
- 3. So the reduction of oil consumption is compared with the year 1973 (552 mt), the last year for which accurate statistics are available. According to the estimates based on the latest figures gives by the Member States, a reduction in consumption during 1974 and 1975 is assumed, leading to an internal consumption level of 500 mt in 1975.
- 4. This reduction of some 52 mt is due mainly to three factors: the economic situation, the effect of the price increases for oil and the first results of the measures to save energy introduced in certain Member States. In total, they result in a reduction of around 9 % in 1975 for the Community as a whole, compared to the 1973 level.
- 5. This reduction seems to be largely due to the present weak economic situation (growth of GNP 1,8 % in 1974 and 1,5 % in 1975) and to the high oil prices. The results of energy saving measures (including those concerning prices such as supplementary taxation of oil products by the Governments) can be evaluated for the Community as a whole as 15 Mt for 1975, which is 3 % of the internal oil consumption.

6. As to the measuremimplemented or designed to achieve these reductions in oil consumption, the choice between them and their intensity of application depends on the economic and social intensity of each of the Member States, but they must all be directed towards a common objective. That is why the Commission intends to give clear form to the Member States' commitment by a resolution.

## DRAFT RESOLUTION OF THE COUNCIL ABOUT FIXING SHORT TERM OBJECTIVES FOR REDUCING OIL CONSUMPTION

The Council of the European Communities,

In view of the Treaty establishing the European Economic Community,

In view of the Commission's draft,

Considering the resolutions of the Council of the 17th December 1974 concerning the objectives for 1985 of a Community energy policy and the programme of Community action in the field of the rational use of energy.

Considering that the reduction in the growth of the inland consumption of energy through measures for the retional utilisation of energy savings which do not compromise economic and social objectives, is one of the objectives of the Community energy policy.

Considering that the Community can, through a reduction in oil imports, alleviate the burden on the balance of payments resulting from the present level of the price of oil,

Considering that it is therefore essential to establish an objective for the reduction of oil consumption in the Community,

Considering that measures can be taken by the Member States in order to ensure the realisation of this objective;

Considering that the Community should have the possibility to fix itself similar objectives for the future.

- approves the objective of bringing internal oil consumption in the Community down to 500 mt in 1975, which is to say a reduction of 9 % compared to 1973,
- asks Member States to follow up the effort already underway in this matter so as to achieve this objective,
- takes note of the various measures that the Commission considers it generally possible to adopt, and which could be implemented by the Member States according to their particular situation,
- asks the Commission to send to the Council a report on the achievement of this objective and on the measures taken by Member States,
- asks the Commission to present the Council with a proposal for short term objectives for reducing the internal consumption of oil in 1976 and requests that it receive this proposal in time for it to decide upon it before the end of the month of June 1975.