



COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT



PRESS RELEASE

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1171st meeting of the Council

- Energy -

Luxembourg, 2 June 1987

President: Mr Philippe MAYSTADT  
Minister for Economic Affairs  
of the Kingdom of Belgium

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Philippe MAYSTADT                   Minister for Economic Affairs  
Mr Firmin AERTS                        State Secretary for Energy

Denmark:

Mr Svend Erik HOVMAND                Minister for Energy

Germany:

Mr Dieter von WURZEN                 State Secretary,  
Federal Ministry of Economic Affairs

Greece:

Mr Anastassios PEPONIS               Minister for Industry, Energy  
and Technology

Spain:

Mr Carlos WESTENDORP Y CABEZA       Ambassador, Permanent Representative

France:

Mr François SCHEER                    Ambassador, Permanent Representative

Ireland:

Mr Michael SMITH                      Minister of State at the Ministry  
of Energy

Italy:

Mr Pietro CALAMIA                     Ambassador, Permanent Representative

Luxembourg:

Mr Marcel SCHLECHTER

Minister for Eenergy

Netherlands:

Mr P.C. NIEMAN

Ambassador, Permanent Representative

Portugal:

Mr Luis Manuel PEGO TODO-BOM

State Secretary for Industry and Energy

United Kingdom:

Sir David HANNAY

Ambassador, Permanent Representative

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Commission:

Mr, Nicolas MOSAR

Member

ENERGY MARKET - COUNCIL CONCLUSIONS

The Council held an exchange of views on the current situation and outlook in the energy market. Whilst noting that the short-term energy situation was relatively favourable, it stressed that developments in the medium to longer term needed to be monitored closely in view of the numerous uncertainties and the expected tightening of energy markets in the coming years. It invited the Commission to continue its analysis of the energy outlook, both inside and outside the Community, and to report regularly to the Council on this subject.

The Council invited Member States to support this work by making their own assessments available to the Commission and by co-operating in the Commission's forthcoming review of national energy policies.

ENERGY EFFICIENCY - COUNCIL CONCLUSIONS

Confirming the conclusions it had reached on 26 November 1986, the Council examined the situation with regard to energy efficiency in the Community, on the basis of a communication from the Commission, and once again underlined the necessity of maintaining and strengthening initiatives in this area. The Energy Ministers recognized that the attainment of the Community's objective of a further improvement in energy efficiency of 20% by 1995 will be an important factor in reducing the risks of future tightening in the energy markets.

The Council stressed the importance of exchanges of experience between the Member States and the Commission on the application and effect of energy efficiency measures. It was recognized that the forthcoming Commission review of Member States' energy policies would prove a useful framework for such exchanges.

The Council welcomed the general approach outlined in the Commission communication of 13 May 1987 and invited the Commission to carry out a detailed examination of specific energy efficiency initiatives in the Community and to submit appropriate proposals to the Council. The Council noted that the Commission intended to submit an initial proposal on an energy consumption certificate for buildings.

## NATURAL GAS - COUNCIL CONCLUSIONS

The Council welcomed the communication on natural gas forwarded to it by the Commission.

After examining the communication in detail and reiterating the "Community energy policy objectives for 1995" (\*), it drew up the following conclusions:

1. As regards the probable future share of total energy demand accounted for by natural gas, the Council notes that:
  - the existing projections used as a basis by Member States confirm the maintenance of this share in 1995, in line with the objectives adopted for that year;
  - the use of natural gas should continue to contribute to at least the same extent to the diversification of the Community's energy sources. Particular attention should be paid to developments in total energy demand, in the interrelationships between the various sources of energy, in any new uses of natural gas and in the evolution of the gas industry.
  
2. As regards security of supply:
  - (a) The Council notes that the outlook for the Community in 1990 and beyond has improved considerably since the studies undertaken in 1982 by the Commission. In fact:
    - import forecasts have been revised downwards over the last few years;
    - according to the figures available, underground storage will exceed previous estimates by 20% in 1990;

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(\*) See Council Resolution of 16.9.1986 (OJ No C 241, 25.9.1986, p. 1).

- the Community's gas supplies are sufficiently diversified until at least the turn of the century, owing in particular to the fact that:

(i) new deposits of natural gas have been discovered within the Community and existing reserves have been revalued;

(ii) long-term supply contracts already existing within the Community have been extended and new supply contracts have been concluded with Norway by the gas companies of several Member States;

- the Community's present gas grids are gradually being extended and progressively integrated, although the problems arising from the geographical situation of certain Member States are appreciated.

(b) Notwithstanding the possibility of persistently low oil prices, natural gas exploration and production on an economic and commercial basis in the Community should be continued, and if need be stepped up as provided for in the Community energy policy objectives for 1995.

3. The Council emphasizes the importance of the greatest possible convergence in the approach of the Community, the Member States and economic operators to natural gas problems and accordingly draws attention to the advisability of intensifying consultation and the exchange of information.

4. The Council notes that integration of the gas grid improves security of supply, is a major factor in achieving a natural gas market in the Community and must be encouraged on economic bases:

(a) The gas industry should continue the process of integrating European gas grids. In this regard particularly important developments are, for example:

- the recent conclusion of new supply contracts;
- the decision to transport a proportion of Norwegian gas supplies for the Community via a new pipeline;
- the planned connection of the peripheral grid of the Iberian peninsula with the European grid, including the linking of Spain with Portugal.

(b) Co-operation between Member States' gas companies is particularly important. Such co-operation should be encouraged in the event, in particular, of an interruption of supplies on the grounds that it is an essential condition for maintaining an acceptable level of supply security Community-wide.

(c) The Community and the Member States should encourage further integration of the gas grid, having regard at all times to the geographical situation of certain Member States.



5. Finally, the Council points to the ecological advantages of the use of natural gas.
6. The Council also draws attention to the possibilities which the financial instruments available at Community level can open up for assistance towards investment in the sector of gas.
7. The Council notes that the Commission will continue, in collaboration with Member States' experts, to assess the security situation and other developments in the Community's gas supplies (including grid infrastructures) in the context of the Community energy policy objectives for 1995.

#### LIGNITE AND PEAT

On the basis of a working document from the Commission departments on Community financial measures to aid the lignite and peat industries, the Council held an exchange of views on the subject which allowed particularly those delegations directly involved to voice their concerns.

The Council took note of a statement from the Commission regarding its approach to further work on this dossier which would in the meantime remain before the Council.

### REFINING PROBLEMS

The Council began by taking note of the Commission's analysis concerning the refining of petroleum and imports of petroleum products, which outlined the main developments having taken place in this area over the last few months, particularly as regards the process of restructuring the Community refining industry and the patterns of trade in petroleum from third countries.

The Council then held a discussion on the basis of a Commission study of the costs borne by the refining industry in the Member States in order to comply with environmental legislation. The Council agreed to resume discussion of the dossier at a future Energy Council meeting once a technical examination had been made within the Council's subordinate bodies.

### NUCLEAR ENERGY ISSUES

The Council took note of progress made on the various reports and proposals the Commission had forwarded to the Council since it last met.

The Council stressed the importance it attached to these proceedings being concluded as soon as possible.

ESTABLISHMENT OF THE INTERNAL MARKET IN THE SPHERE OF ENERGY

At the Commission's initiative, the Council held an initial exchange of views on the general problem of the completion of the internal market in the sphere of energy. It stressed the importance it attached to this dossier. The Council supported the Commission's wish first to draw up, with the help of the parties concerned, an inventory of the existing obstacles and then in due course to submit to the Council appropriate proposals for the progressive elimination of such obstacles before the end of 1992.

## MISCELLANEOUS DECISIONS

### Research

The Council adopted in the official languages of the Communities,

- the Decision authorizing the Commission to negotiate a Co-operation Agreement between the European Atomic Energy Community and Japan in the field of controlled thermonuclear fusion;
- the Decision approving amendments to the Statutes of the Joint European Torus (JET), Joint Undertaking.

### Appointment

Acting on a proposal from the Portuguese Government, the Council appointed Mr Vitor Pereira Crespo and Mr José Maria Ribeira Moreira de Araujo, Members of the Scientific and Technical Committee until 31 March 1988.

### Fisheries

The Council adopted in the official languages of the Communities the Regulation concerning the conclusion of the Agreement between the European Economic Community and the Government of the Republic of The Gambia on fishing off The Gambia and adopting provisions for its application.

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