

**ASAMBLEA PARLAMENTARIA
EURO-LATINOAMERICANA**

**EURO-LATIN AMERICAN
PARLIAMENTARY ASSEMBLY**



RESOLUTION:

European Union and Latin American energy policies

on the basis of the report of the Committee on Political Affairs, Security and Human Rights

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[on the basis of the report of the Committee on Political Affairs, Security and Human Rights]

European Union and Latin American energy policies

The Euro-Latin American Parliamentary Assembly,

- having regard to the declarations adopted at the four Summits of Heads of State and Government of Latin America and the Caribbean (LAC) and the European Union (EU), held to date in Rio de Janeiro (28 and 29 June 1999), Madrid (17 and 18 May 2002), Guadalajara (28 and 29 May 2004) and Vienna (12 and 13 May 2006),
 - having regard to the joint communiqué of the 13th Ministerial Meeting of the Rio Group and the EU, held in Santo Domingo (Dominican Republic) on 20 April 2007,
 - having regard to the joint communiqué of the Ministerial Meeting of the San José Dialogue between the EU Troika and the Ministers of the Countries of Central America, held in Santo Domingo (Dominican Republic) on 19 April 2007,
 - having regard to its Declaration of 9 November 2006, adopted at its constituent session held in Brussels on 8 and 9 November 2006,
 - having regard to its resolutions on EU-Latin America relations with a view to the Fifth Lima Summit and with special reference to democratic governance,
 - having regard to the conclusions of the EU Heads of State or Government summit in Brussels on 8 and 9 March 2007,
 - having regard to Article 16 of its Rules of Procedure,
 - having regard to the report of its Committee on Political Affairs, Security and Human Rights,
- A. whereas the European Union, Latin America and the international community as a whole are facing problems and challenges in the energy sector resulting from globalisation, the increase in demand for energy resources (mainly oil), environmental pollution, the resulting climate change and rising oil prices,
- B. whereas at their summits in Guadalajara (2004) and Vienna (2006), the EU and LAC Heads of State and Government recognised the need for closer regional and international cooperation in the energy sector,
- C. whereas the EU and the LAC intend to give special attention, at the Fifth EU-LAC Summit to be held in Lima on 16 and 17 May 2008, to cooperation in areas such as sustainable development, energy, climate change and other environment-related issues,
- D. whereas the Euro-Latin American Assembly has proposed to make energy one of the central themes and debates of the Euro-Latin American partnership and of the dialogue among its partners,
- E. whereas in the energy sector, there are similarities and disparities between the European Union and Latin America, since:
- the European Union is a net importer of energy. More than 50% of the energy it

consumes is imported. This situation means that it is heavily dependent on its suppliers. With a view to reducing this dependence, the EU should bring about a major reduction in energy expenditure and back this up with policies to promote renewable energy sources,

- Latin America is at present rich in energy resources and is therefore, in principle, less vulnerable to energy diplomacy from outside. In fact, Venezuela, Mexico, Colombia, Ecuador and Trinidad and Tobago are oil exporters while Argentina and Bolivia produce enough for their own internal markets. Bolivia is also an important producer and exporter of natural gas and Peru, Brazil, Chile, Paraguay, Uruguay and all the Central American and Caribbean nations are net importers of oil,
- the energy market in the EU is relatively mature; although demand for imported energy is expected to increase due to the depletion of domestic resources, total EU energy demand is expected to remain relatively stable in the future, although greater energy efficiency, which would help reduce its dependence on oil, would be desirable,
- in Latin America domestic energy demand (oil, gas and electricity) is expected to increase; meeting this demand and honouring existing commitments will require major investment,

F. whereas EU and LAC partnerships can be an important factor in the development of energy technologies,

G. whereas the EU has put energy at the top of its political agenda and is committed to pursuing an integrated approach to combat global warming, ensure energy security and enhance business competitiveness without increasing the prices paid by consumers,

H. whereas the EU has ambitious plans to reduce oil-import dependence and CO₂ emissions with the sustainable use of natural renewable energy sources,

I. whereas climatic variability and extreme events resulting therefrom have been severely affecting the Latin American region and also appearing in Europe over recent years, and whereas the relevant scientific studies estimate that the frequency of occurrence of weather and climate extremes is likely to increase in the future,

J. whereas environmental pollution and the resulting climate change are a direct threat to sustainable development and to the seventh Millennium Development Goal (MDG) of achieving a more sustainable environment,

K. whereas it is essential to introduce the right instruments to accelerate technological change and technology transfer in the energy sector and to promote investment,

1. Welcomes the commitment made by the EU at the European Council meeting of 8 and 9 March 2007 to achieving at least:

- a 20% reduction in greenhouse gas emissions by 2020 compared to 1990;
- a 20% share for renewable energies of overall EU energy consumption by 2020;
- a target for biofuels' share of overall EU transport-related petrol and diesel consumption, to be achieved by all Member States by 2020;
- an increase in overall energy efficiency by comparison with 2005 levels in all Member States by 2020;

2. Considers that boosting biregional cooperation and investment in energy efficiency and

renewable energy will reduce dependence on energy imports, create jobs and promote innovation and a knowledge-based economy;

3. Points out that in order to improve the existing, unsustainable, model, a plan for the rationalisation of energy consumption, focusing on research, greater energy efficiency and sustainable development, is vital in order to counter the increase in greenhouse gas emissions, particularly in the fields of transport, construction and industry;
4. Stresses the importance of developing and investing in the necessary energy infrastructure in order to ensure availability and access to reliable and affordable energy systems that are environmentally sustainable and promote social welfare;
5. Emphasises the importance of acknowledging the potential risks posed by biofuels in terms of deforestation, over-farming, increasing artificial fertiliser and pesticide use or the conversion of certain regions to single-crop farming; proposes to conduct a comprehensive analysis of the environmental costs and benefits of biofuel production and the lifecycle of biofuels, as well as the potential risks to security of food supply; welcomes, in this regard, the Commission's proposal to impose sustainability criteria on the production of and trade in biofuels;
6. Emphasises that energy integration can function as a key stepping stone towards regional integration and development in Latin America;
7. Reiterates its belief that there is a need to invest in the modernisation and development of the energy sector;
8. Calls for the political agenda between the EU and the countries of Latin America to take account of international concerns and to give priority to cooperation on energy, climate change, environmental pollution and policies for preventing global warming, and for sustainable development and the protection of biodiversity to be promoted;
9. Encourages the promotion of stable, transparent regulatory policies to improve trade in energy products (including the promotion of trade facilitation systems compatible with WTO rules), as well as energy production and savings and access to energy services, especially for the poorest communities, which are important factors with a view to enhancing the energy security of both partners;
10. Believes it is essential to obtain concrete and tangible results from the biregional sectoral dialogue on energy issues, the consultations held prior to summits involving the energy ministers as well as those held in international fora, and the implementation of the international conventions on energy, environment, climate change and biodiversity;
11. Proposes that future agreements between the EU and other Latin American regions (Central America, the Andean Community and Mercosur) should include a section on energy cooperation with a view to securing better use of renewable energy sources – such as solar, wind, hydraulic and others – which, in the short and medium term, will bring greater opportunities for sustainable development;
12. Stresses that energy cooperation between the regions concerned needs to concentrate on developing decentralised forms of renewable energy, as the least expensive and most efficient and sustainable route for energy supply, especially in remote regions;
13. Emphasises that the LAC region could benefit from the transfer of knowledge and technology and from technical and technological cooperation; proposes to promote

programmes for scientific, technical and technological cooperation in the field of energy, technology transfer and exchanges between scientists, engineers and students on both sides of the Atlantic, as well as cooperation between industry and research and training organisations in the countries of the region and of the EU;

14. Takes the view that Latin America can draw on the experience gained with the trans-European networks and the directives concerning the establishment of a common energy market;
15. Stresses that the competent authorities in EU and LAC countries should launch an information and training campaign on energy efficiency and the possibilities for using renewable energies in everyday life;
16. Considers that closer cooperation between the EU and Latin America, to include the mutual reduction of tariffs in full compliance with WTO rules, would be beneficial for the energy policy dialogue, which could allow closer ties, exchanges on major international energy developments and the promotion of policies to enhance energy security, efficiency and sustainability;

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17. Instructs its Co-Presidents to forward this resolution to the Presidency of the Fifth EU-LAC Summit, the Council of the European Union, the European Commission, the Parliaments of all the EU Member States and all the countries of Latin America and the Caribbean, the Latin American Parliament, the Central American Parliament, the Andean Parliament and the Mercosur Parliament.