

Brussels, 4 November 2009

Q&A: EU-US Energy Council

What is the EU-US Energy Council?

The EU-US Energy Council will be a formal framework for deepening the transatlantic dialogue on strategic energy issues of mutual interest. It will also be the platform for cooperation on energy policies and research collaboration on sustainable and clean energy technologies. Given that the EU and the US are two of the world's consumers of energy it is in the interests of both to deepen their bilateral energy cooperation to address the growing challenges of global energy security, sustainability and climate change.

How will the EU-US Energy Council work?

Members of the council will be on the EU side the Commissioners for External Relations, for Energy and for Science and Research, as well as the EU Presidency, and on the US side, the Secretaries of State and of Energy. It is expected to meet annually, alternately in the EU and U.-S, and report to the EU-US Summit.

The EU-US Energy Council may decide to delegate preparatory work and follow-up to working groups at senior official level, which should meet regularly and report to the EU-US Energy Council. Furthermore, subgroups at working level may also be established in order to tackle specific issues as appropriate. Areas expected to be covered are Global Energy Security and Global Markets, Energy Policies and Energy Technologies Research Cooperation.

What does the European Commission expect from this new dialogue structure?

The Commission's objectives for the Energy Council are:

- to develop the transatlantic perspective on global energy security, including transparent energy markets, diversification of supplies, vital energy infrastructure needs, and equitable access to energy in developing countries,
- to embark on a deeper exchange on energy policies, including areas that are critical within the climate change equation, such as renewable energy, Carbon Capture and Storage, and energy efficiency;
- to work together towards the mutual/reciprocal opening of funding of R&D energy programmes across the Atlantic;
- to deepen ongoing joint research and development of low carbon energy technologies and to broaden cooperation to new areas, in particular on smart grids, energy efficient building technologies and new materials for energy applications.
- Start new EU-US cooperation on promotion and dissemination of existing and expanding energy technology.

Where does this initiative comes from?

The US and the EU have a long history of cooperation on energy policies (through our Strategic Energy Review) and on energy R&D (under our Agreement on Scientific and Technological Cooperation). The new Obama administration has opened new opportunities for further co operation.

Concretely, the proposal to set up an EU-US Energy Council was officially tabled in June 2009 via a letter that Secretary Clinton's special envoy for Eurasian Energy questions, Ambassador Morningstar¹ sent to Minister Füle, HR Solana, the President of the Commission as well as Commissioners Ferrero-Waldner, Piebalgs and Potocnik. On 16 September the EU provided a common response suggesting areas of work under three main headings, namely Energy Policies, Global Energy Security and Global Markets and Energy Technologies Research Cooperation.

Will the EU-US Energy Council discuss climate change issues?

While the EU-US Energy Council will not be a forum for climate change negotiations, the policy issues of energy and climate change are intrinsically linked. Enhanced consultation on energy matters will thus underpin the common efforts to tackle climate change and, where appropriate, the EU-US Energy Council would complement the multilateral work on transformational energy technologies, such as under the Major Economies Forum on Energy and Climate.

Do the EU and U.S. already cooperate in energy research?

Under the Agreement on Scientific and Technological Cooperation between the European Commission and the US, well-established and successful cooperation occurs on biofuels, carbon capture & storage, solar power, and hydrogen-fuel cells. In the international context, the EU and US are leading partners in both the International Thermonuclear Experimental Reactor (ITER) nuclear fusion project and in efforts to develop safe and efficient fourth-generation nuclear fission reactors. Importantly, several individual EU Member States also pursue bilateral activities in energy technology research with the U.S.

In the context of the new EU-US Council, the cooperation on existing areas such as solar power, hydrogen and fuel cells, bioenergy, carbon capture and storage and nuclear energy, both fusion and fission, will continue and deepen. In addition, this cooperation will be extended within the next years to new strategic areas in order priority sectors: smart grids, energy efficient buildings and advanced materials for energy applications.

¹ From 1999 to 2001 Ambassador Morningstar served as U.S. envoy to the EU and he is thus quite familiar with the workings of the European institutions.

Has the Commission other similar structures with other countries?

In the field of research in energy, there is no similar council.

The longest-running and best established bilateral energy dialogue is the EU-Russia Energy Dialogue. There is also cooperation with key energy producers: Norway, OPEC, Gulf Cooperation Council, and with countries of Central Asia, as well as key transit countries like Ukraine and Turkey. Memoranda of Understanding on energy security have been signed with Ukraine, Azerbaijan, Kazakhstan, Turkmenistan, Egypt, another with Iraq is close to signature. There are formalised relations with the countries of the Western Balkans and some of the eastern neighbours through the Energy Community Treaty, as well as close Euro-Mediterranean cooperation with the countries of the Mashreq/Maghreb. The EU also maintains strong relations with other major consumers such as China, India, Japan bilaterally, but also through organisations such as the IEA, the Africa-Europe Partnership, and ASEAN.