

## FEATURES OF FORMING A COMMON ENERGY POLICY OF THE EUROPEAN UNION

**Problem definition and its relationship with important scientific and practical tasks.** Energy Strategy of the European Union takes place in a difficult global economic environment, the main characteristics of which are rising prices and competition for energy resources, rapid depletion of energy resources, lack of transparency and non-competitiveness of the marketplace insufficient investment industries that extract energy exporting countries.

Despite the best efforts of Member States in the field of energy saving, energy consumption these countries continues to grow. This negative phenomenon leads to greater dependence on external sources of supply and at the same time leads to a more active and integrated European energy policy.

**Analysis of recent research and publications, which discuss the problem.** Separate the creation of a common energy policy of the European Union was seen as foreign and domestic scholars, including: A.A. Vasiliev, V.V. Drozdenko, L.L.. Kisterskiy, T.I. Byrkovych, I. Petrenko, A. Seleznev.

**Unsolved aspects of the problem.** The introduction of economic and legal mechanisms of the EU energy strategy must take into account the characteristics of common EU energy policy and its regulatory and institutional dimension. Within the European Union's growing need for a unified and common to all Member States energy policy.

**Article's goals.** The main objectives of this publication are studies of individual components of a common energy policy of the European Union and the capacity of the internal energy market of the European Union.

**The main material research with full justification of scientific results.** European Union countries are interconnected energy markets and industries, however, have no coherent energy policy. For example, some of these countries made a bid to liberalize the energy sector and energy markets, tightly separated manufacturers, suppliers and sellers of energy (primarily talking about the UK). However, other EU member states (primarily refers to France) retain the national energy market and in the national energy sector powerful and vertically integrated company monopolies. Even in the development of alternative (renewable) energy approaches and practices of the Member States differ.

Most EU countries are not ready to participate fully in this policy, as indicated by controversy over the indicative parameters in the energy sector, which has been brought to each Member State, as part of energy strategy of the regional association. Today most member states of the European Union expresses its unwillingness to comply with these indicative figures, citing a number of political, institutional, financial, economic, technological and environmental objections.

One of the biggest problems common EU energy policy is the financial and economic - namely, the need to increase investment in multiple grids scope and relationships of national power systems of member countries. It is through such investments can be created only pan- grid, diversified sources of energy. According to the European Parliament, the only network and diversification of energy flow are the two main elements of

EU energy security policy. Targeting the creation of a single European grid includes the creation of substantial strategic reserves of energy that are common to all countries of the regional association [1].

The European Union is one of the first global economic blocs, which has developed and successfully implements a common energy strategy. At present, Member States have managed to limit power consumption. Even when the indicative figures brought the EU Member States in the framework of a joint strategy limiting power consumption to be met by half, then in this case the results may be historically unprecedented. According to their more or less optimistic forecasts in order to reduce gas consumption and reduce the growth in electricity consumption, enough even those technologies that are today. British experts believe that by 2030 the EU gas consumption can be reduced to the level of the early 90s, which means an annual reduction of gas consumption by 125 billion , that the volume of gas that meets the current total consumption of countries as Germany, France and Spain. Significantly, the greatest savings potential is contained in the households and utilities, but not in the industry, which has already made significant steps towards energy savings. The greatest contribution may be made through the use of more efficient condensing boilers. At present these boilers are used in 50% of Dutch households, but the figure for the rest of the EU is much lower. According to British experts, the main problem that prevents reduce residential electricity consumption is increasing number of different appliances. Finally, according to British Energy efficient strategy not only reduce EU dependence on Russian gas, but also significantly reduce the value of two alternative gas pipelines ("Nord Stream" and "South Stream") [2, p. 19-22].

Structural separated companies, power producers and companies, energy suppliers enables: first, substantially reduce the cost of production, because it makes the market more open and competitive, but also creates opportunities for access to alternative energy transportation networks, and secondly, to significantly improve the environmental situation as energy producers on the basis of updated resources are better opportunities for access to the grid, and thirdly, to significantly increase investment in energy sector. Investment in structural separated energy sector far outstrips investment in the energy sector, which consists of large and vertically integrated monopolist companies. Now it is so energy sector most continental European countries, including France. Note that most UK energy sector is marked as structural separated manufacturers and companies suppliers. In addition, structural separated energy industry enables significantly improve the reliability of energy networks. Thus, according to British experts, reliable energy networks in England and Wales five times the reliability of grids of continental Europe.

The issue of energy security is increasingly coming to the top of the agenda of the European Union. United Kingdom primarily relates this perspective to the greenhouse effect that threatens all countries of the world dangerous climate change, and therefore, adverse changes in economic and demographic situations.

According to British experts, 2/3 of all carbon dioxide emissions associated with the way mankind produces and uses energy. Causes and consequences of global climate change, and therefore the solution is not possible at national and global level. On the basis of calculations of current trends in British experts claim that by 2050, global emissions of gases that cause the greenhouse effect exceed twice the pre-industrial era. Threatening this situation makes even the fact that demand for energy is growing, especially in the United States and the dynamic new global economies like China and India. Based on current data, global energy demand will increase in 2030 by 50 % and energy whose use causes the greenhouse effect - 55 % [3].

British policy on energy security and to prevent climate change focused on execution and implementation of three key objectives: energy savings, development and bringing clean energy, ensure energy reliability at prices that would have undermined British competitiveness in global markets [4, p. 89-90].

Saving energy is the starting point for the British Energy Strategy. According to British experts, energy saving is the cheapest way to reduce carbon emissions.

In particular, today, many British and European energy-consuming goods, such as automobiles or household equipment exported. That is why a growing need in the international agreements that would define the standards as high as possible effectiveness of these products.

The role of savings, according to a British party has discharged residential energy consumption. Today will make all new buildings such that either do not emit carbon dioxide into the atmosphere, or do it in minimal quantities. In the existing housing stock is also taking steps to improve its energy efficiency.

Transport is also one of those areas, which can be achieved high energy savings. Today it is in the field of energy saving in the transport sector UK is a leader in the EU. Significant role in the energy strategy of the United Kingdom shall be the development of clean energy sources.

Important role in the UK energy strategy play renewable power. Yes, 2010 was planned to provide 1 billion pounds per year and double that amount in 2020. However, no matter how environmentally correct would not be a strategic focus on renewable energy in many British experts it is objectionable. Some of them claim that the use of biofuels as a negative impact on climate change, contributing to the enhancement of the greenhouse effect. The rest of the states that Earth's resources are not even enough in order to feed most of humanity, not to mention the raw materials for alternative energy. In addition, the cultivation of this material leads to excessive depletion of soil [5, p. 121-123].

Undoubtedly, the development of renewable energy can improve the situation, but to date none of the European Union lacks investment and technological capabilities to ensure this development. In particular, wind power was planned as one of the alternatives based nuclear energy, but the current level of technology and climatic situation in most European countries makes it impossible to fully tap into this alternative energy source. That is why some European countries still rely on nuclear power.

In turn, the French side is rather sceptical about the results of the liberalization of the European energy market. In her view, this market affects a number of factors that do not allow a positive effect (primarily refers to the increase of competitiveness), even under conditions of liberalization. In particular, the cost of electricity in the EU will continue to grow, due to, firstly, the need for modernization of energy sectors of member countries, and secondly, the additional tax-

ation of energy, the use of which leads to the use of the greenhouse effect, and thirdly, the rejection of the European countries and their appeal to the energy that cause the greenhouse effect [6].

According to the French side, any responsible energy strategy the EU should be based on a balance between the three main objectives of energy policy - security of energy supply, taking into account environmental effects, global and local competitiveness.

At the global level, according to the French side, the energy policy of the European Union must take into account putting two elements: firstly, the tense situation on the world markets oil and natural gas caused by rising prices, and secondly, climate change caused by the use of energy. In the first case, France is concerned about increasing dependence on OPEC. In the second case, the French side stated some inconsistencies. On the one hand, 80% of the energy used by the EU, is one of those types of energy which cause the greenhouse effect. On the other hand, the EU is only responsible for 13 % of global emissions of gases causing the greenhouse effect. Despite this rather insignificant "contribution" to the deterioration of the global environmental situation, France calls for deepening and integration at the regional level a common European energy policy to establish a close relationship between this policy and the environmental policy of the European Union [1].

At European level, the French side says that despite all the efforts of Member States in the field of energy saving, energy consumption, these countries continue to grow, which will soon lead to greater dependence on external sources of supply. According to European experts, the current level of energy dependency of the EU is 50 %, and if not taken any action, in 2030 this rate will reach 70%.

In the context of a common energy policy of the European Union, France proposed the development of each individual member country of its own energy development plan, which would contain medium-and long-term forecasts for the regulation of supply and demand. Each of these countries should follow a balanced energy policy, based on the balance between the energy needs of the domestic industry's own imports, and environmental effects of the use of energy. It is also proposed to develop at EU level multilevel planning investment in production, transportation, receipt and storage of energy, taking into account environmental considerations and the need for liberalization of the European energy market.

French parties had highlighted the need to intensify the exchange of information and coordination between the EU and the relevant institutions of member countries on energy policy, which will allow not only to coordinate the national energy policy and a common energy policy, but also increase the reliability of power networks and intensifying cross-border exchange of energy. In addition, according to the French side, there is an urgent clearer division of responsibilities between the EU level and national level Member States legislative harmonization energy sectors and energy markets. States parties develop common (European) criteria for assessing energy security and environmental impact of energy use.

France calls on its partners in integration associations to pay attention to the problems of energy saving. The French approach to this question involves the division of all European energy consumers into three main sectors - residential and service sector, transport, industry and agriculture. Each of these sectors is noted for its feature in terms of energy saving methods and aims, in particular, the transport sector is the most responsible for emissions of gases that cause the green-

house effect, as well as the dependence of the EU on foreign sources of oil revenues.

According to the French side, with the transport sector makes the EU vulnerable energy. French experts believe that energy can only be effective the following two basic conditions - availability of appropriate new technologies and changes in relation to the energy problems the citizens of Europe. According to the French side, even the best energy-saving technologies not give proper result in the case where no increase accountability of individual consumers and people involved in decision-making in both the public and private sector on issues of conservation and renewable energy. France urges rest of Europe to deploy a broad explanatory campaign both at European level and at national level member associations.

In the matter of saving France proposes to adopt at EU level measures such as: adjust, to draw conceptual and scenario - prognostic identify common European indicative figures brought the EU Member States. In particular, the 60-80 % reduction in emissions of gases that cause the greenhouse effect. According to the French side, during the implementation of the indicative rate is not all obstacles (financial, technological, legal) towards its implementation are included. France encourages the EU to urge member states to use the funds from EU structural funds for energy efficiency. For his part, even in 2005, France has developed its own energy saving plans, which also include a number of indicative targets. In particular, the French side is planning an annual 2% energy savings by 2015 and 2.6 % savings between 2015 and 2030. France also planned annual 3% reduction of gases that cause the greenhouse effect [7, p. 23-24].

#### Conclusions.

1. The first contradiction of common EU energy policy is that the indicative rates that are usually in the form of directives, down from the EU level to national and state levels, can not be met even the most developed countries of the EU. Recently, a lack of investment and technological capabilities to achieve EU objectives formulated. Although most of these indicators are not questioned and considered quite appropriate. Today most indicative parameters of a common European energy policy, even the most developed and richest countries can be met halfway. So the problem is that the EU energy law is not unified on the basis of European standards, and that these states lack the resources and technology.

2. The second contradiction common energy policy of the European Union is in these countries different approaches to the issue of national industries and liberalization of energy markets. At the level of EU structural policy is implemented consistently extracted between manufacturers, suppliers and sellers of energy. However, this policy is maintained and can be implemented only part of the EU Member States. Particular case of the UK. However, many other countries and especially France feel the need to store large, vertically integrated companies are monopolies, justifying their approach so that companies attract greater investment, they are easier to manage and regulate their activities, they are more competitive globally. Paradoxically, the arguments of supporters of the liberalization of European energy markets and industries that extract energy and arguments of their opponents are equally appropriate, therefore, to solve this problem is not at the

level of the unified policy of the European Union and at national energy policy when each country chooses that form of energy sector and energy market, it is most suitable.

3. The third contradiction is the common energy policy of the EU is that a common and uniform for all Member States energy strategy could lead to the destruction of the national unique and well-established for many decades, proportional relationships between the various energy resources in the energy systems of each member state.

4. The fourth contradiction common EU energy policy stems from the growing EU dependence on imported energy. By 2030, the situation could become critical, because no unifying power laws of the Member States are not profitable, because the lack of finance and technology. In the latter case it is about energy technologies based on alternative and renewable sources. Today, these technologies are still expensive and inefficient, and unlikely to soon replace traditional methods of energy production. In addition, alternative and renewable types of energy is also not entirely environmentally friendly. Some of them cause the same greenhouse effect as part of creating a qualitatively new environmental threats. Therefore, from a realistic point of view, the only more or less successful elements of a common energy policy of the European Union is energy saving and the development of nuclear power and hydropower.

5. Unification of the energy legislation of the Member States is not much help these countries in their activities on global energy markets, a situation which is exacerbated by the accelerated depletion of energy resources, increasing consumption of traditional energy resources and a corresponding increase in their prices, as well as accelerated the politicization of global energy problems. Today, much of the important legal unification is unification technology, aimed at creating a single European grid and energy reserves, as well as the mobilization of financial resources for the development and modernization of energy systems of the Member States.

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