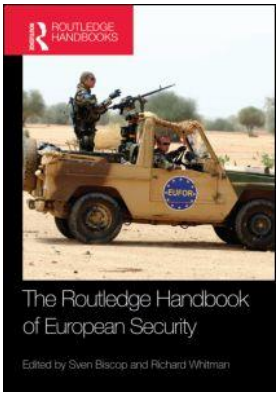

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ENERGY SECURITY
A missing link between EU energy and foreign policies

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A comprehensive European energy policy has to be viewed in a global context not only because of the global dimension of energy issues, but also because countries and industries are interdependent in terms of resources and markets. In the unstable energy landscape of the twenty-first century, the question for the European Union is especially how current developments can deal with the numerous and wide energy issues it faces today and in the future on an unprecedented scale.

Humankind consumes more resources than nature can provide. Europeans, who represent 7 per cent of the world population, use 17 per cent of world natural resources each year. In general, demand for energy should continue to grow markedly over the next 20 years. At a global level, primary energy demand is projected to increase by 1.5 per cent per year between 2007 and 2030 – an overall increase of 40 per cent by 2030. The needs of developing Asian countries alone will account for 87 per cent of this rise, with China and India representing half of this increase (IEA, 2009a). The European Union's consumption will increase by 11 per cent (European Commission, 2010a).

Fossil-fuel energy will continue to dominate the energy mix across the world (77 per cent) (IEA, 2009a) and Europe (78.6 per cent) between 2007 and 2030. At a European level, the dominant fuels in the primary fuel mix for the foreseeable future are oil (36.4 per cent) and natural gas (23.9 per cent), followed by coal (18.3 per cent), nuclear energy (13.4 per cent) and renewable energies (7.8 per cent) (European Commission, 2010b). The complete substitution of fossil energies by alternative sources remains unlikely in the near future, in particular due to delays in developing the necessary new technologies and the persistent difficulty of connecting sources to the electricity network (European Commission, 2010c).

Fossil-fuel resources are also becoming increasingly rare. Given proven resources, current technologies and the coming increase in consumption, the current extrapolated lifetimes are 40 to 50 years for oil, about 60 years for natural gas and about 250 years for coal (IEA, 2009a). The exhaustibility of these resources is evidenced in the European Union, where the production of primary energy has fallen considerably in the last ten years, causing increased reliance on imported energy. One example is the UK, which has become a net importer of primary energy (20.1 per cent in 2007) (European Commission, 2010c). Whereas the Union

already imported 53.1 per cent of its energy needs in 2007 (European Commission, 2010c) with a relative 82.6 per cent of its needs in oil and 60.3 per cent in natural gas, its imports will reach 59 per cent in 2030 with 93 per cent for its oil and 83 per cent for its natural gas needs (European Commission, 2010c).

The European Union's dependence on external sources for its energy supply should therefore increase. International competition for these fossil-fuel resources has become a major issue for the years to come. Increased consumption of increasingly rare fossil energy has stoked major international rivalries. Countries supplying fossil energy have understood their interests and are trying to maximize their advantage, not only in economic terms but also on occasion as a political lever vis-à-vis dependent states. The great economic powers, emerging or otherwise (United States, China, India, Russia, EU, etc.), have committed themselves to unprecedented strategies of energy-source diversification. Various competing and controversial projects for oil and gas pipelines along diversified supply routes have emerged (such as Nabucco versus South Stream, Nord Stream, etc.). This competition has a particular impact in Europe, where the increasing vulnerability and dependence of EU member states is causing intra-European rivalries which undermine the solidarity principle at the heart of European integration, as repeatedly illustrated during the gas crises between Ukraine and Russia.

Those international events and crises (energy related, environmental, economic and financial, etc.) have jolted the European Union into debating the development of a comprehensive European Energy Policy with an enhanced external dimension. Several recent developments indeed justify an increased focus on the external aspects of the energy policy: Europe's strong feeling of insecurity has increased tenfold due to the successive gas disputes between Ukraine and Russia directly affecting the EU; the tremendous increase (then fall) of energy prices; the uncertain and controversial state of energy reserves; the disequilibrium between the increase of demand and the contraction of the supply; and finally Europe's increasing energy dependence on chronically unstable energy suppliers, together with a decrease of its indigenous energy production and a limited combined contribution from renewable and nuclear energies.

Against this background, the aim of this chapter is to identify what exactly the EU external energy policy is, whether it builds on both EU energy and foreign policies and to what extent the concept of energy security can serve as a bridge between these two policies, thus enabling the EU to develop its energy relations with its external partners and become a strategic actor in this field. Based on a critical assessment of what the EU has achieved so far, this chapter concludes with some policy recommendations, supporting the development of a European Energy Community with external competence.

The late acknowledgement of energy as a matter of security

Energy security as a new 'bridging' concept

Energy security is a complex issue because a mix of both internal and external policies is necessary to make the EU a leading actor in the field, to equip itself with the capacity to influence the global governance of energy issues and to expand its principles/norms and values at the international level (Youngs, 2007). Completing the EU-wide energy internal market is seen as a prerequisite for a common external energy policy. In this sense, there should be a direct link between internal and external energy goals. However, the Union's energy policy has developed belatedly and without an overall vision bringing together its

different dimensions, both internal and external. In particular, this concerns the necessary balance and trade-offs between the three main objectives which the policy must pursue: energy security, competitive access to energy, and sustainable development. Among these three objectives, all effort has long been concentrated on the internal market and free competition, to the detriment of the two others and the coherence of the whole project. While major progress has been achieved since 2005 in developing a common internal energy policy and completing a single common energy market, it has been much more complicated to develop such a common approach for the external dimension of the European energy policy (Chevalier, 2009).

From the end of the 1950s to the beginning of the 1990s, initiatives taken at the EU level regarding the external dimension of energy policy were mainly in the form of soft law, i.e. communications, statements of objectives and declaratory resolutions adopted by the Commission and/or the Council, but without binding commitments (Daintith and Hancher, 1986). The only area in which the Community undertook legislative action is related to security of supply and the issue of crisis management. In reaction to the energy crises that occurred at that time, the EC mainly followed the initiatives taken within the OECD and the IEA, namely setting rules on minimum stocks of oil products and crisis management.

In any case, during the past few years, there has been political momentum regarding the concept of energy security in Europe. However, there is still a need to clearly define the concept of energy security and to address the following questions: what precisely is the EU concept for energy security? What should be the core principles which underpin such a policy? How can the Community and member states better promote diversity of supply for oil and gas? Should the EU develop new partnerships with its neighbours, including Russia, and the other main producer and consumer nations of the world? Consideration must also be given to how best to react to external energy crises in order to ensure greater solidarity between member states.

The concept of energy security has in fact been turned to fit diverging, sometimes conflicting perceptions and positions (Egenhofer *et al.*, 2006). Consumer and producer countries, developed or developing, dependent or not on energy imports, all have different priorities, interests and needs. For some, it is important to secure energy supplies for their markets, while for others, it is more important to secure access to the European market for their energy resources. Some seek to stabilize energy prices at a high level, others at a low level, etc. Among these differing and sometimes competitive approaches to energy security, the European Union is developing its own concept. The energy security concept of the European Union as conceived, aims at 'ensuring the uninterrupted physical availability of energy products on the market at an affordable price for all consumers, whilst respecting environmental concerns and looking towards sustainable development' (European Commission, 2006a).

The European Commission's Green Paper on 'A European Strategy for Sustainable, Competitive and Secure Energy' (European Commission, 2006) contributed to the emergence of a new, more dynamic and ambitious approach to European energy security. To provide a broader framework for that policy, in January 2007, the Commission issued its communication entitled 'An Energy Policy for Europe' (European Commission, 2007b) as the central piece which led to the adoption of the 'Energy and Climate Package' by the Council, designed to establish a comprehensive European energy policy by 2009 (Dehousse and Andoura, 2007). Increasing security and competitiveness of energy supply through solidarity among member states was one of the main pillars and priorities of this new EU energy policy, as well as developing relations with third countries.

An external policy to serve Europe's energy interests

The 'European Security Strategy – A Secure Europe in a Better World', released in December 2003, contained almost nothing with regard to energy security. Besides a short section on the global challenges the EU has to face in the post-Cold War environment, like increasing dependence – and hence vulnerability – no revolutionary ideas have been developed. There are only a few words on the competition for natural resources, aggravated by global warming over the next decades. The strategy calls for more coherence among EU instruments and capabilities, diplomatic efforts, development, trade and environmental policies.

The first real step towards a European external energy policy was a joint paper from the European Commission and High Representative Javier Solana in 2006 (European Commission, High Representative, 2006), which describes the main elements of a real integrated energy policy for Europe with a strong external dimension. This chapter considers how all EU external relations, including Common Foreign and Security Policy, can be used more effectively to enhance the collective external energy security of the Union. It stresses the need to combine internal and external policies. It also tries to set out the criteria for any European external energy policy. According to this chapter, such policy must be coherent (backed up by all Union policies, the member states and industry), strategic (to fully recognize the geopolitical dimensions of energy-related security issues) and focused (geared towards initiatives where action at the EU level can have a clear impact in furthering its interests). The chapter also highlights the need to base external energy policy on a clear prior identification of EU interests and a reliable risk assessment, by endowing the EU with the necessary monitoring capabilities.

Their paper interestingly divides the concept of energy security into two main building blocks: functioning markets and diversification. Through the functioning market approach, the EU should extend its own energy market to its neighbours within a common regulatory area. More widely, the EU should advocate reciprocity in market opening and respect for market rules. And finally, the EU should convince non-EU consumer countries of the benefit of worldwide functioning markets. Through diversification, the EU must give prominence to diversifying energy sources and geographical origin as well as transit routes. Emphasis is also put on the key importance of energy infrastructures.

This common paper from the Commission and High Representative is so far the most interesting concept document dealing with the external dimension of any European energy policy and the objective of security of energy supply. Very short, clear and realistic, it draws the main contours of a future European external energy policy. It also suggests concrete actions to be undertaken. All things considered, the approach is well balanced between the market approach and geopolitical concerns. It underlines the benefits that the EU can achieve when both institutions (the Commission and the Council) work together.

The first European Commission Strategic Review issued in January 2007, which tried to give a broad overview of a meaningful external energy policy, endorsed the vision of a long-term framework for the external energy dimension set out by the Commission and High Representative in their joint paper. The Review covered many important aspects approved by all relevant services of the Commission and received the 'political' mandate of the Council. Accordingly, energy must become a central part of all European external relations. The EU must, therefore, develop effective energy relations with all its international partners (with both developed and developing countries, energy consumers and producers), and broadened in geographical and substantial scope.

Last but not least, the 2008 revision of the European Security Strategy, further urges the development of an energy policy which combines the external and internal dimensions, and calls for the development at EU level of the following policy dimensions: a more unified energy market inside Europe; greater inter-connection with particular attention to the most isolated countries; crisis mechanisms to deal with temporary disruption to supply; greater diversification of fuels, sources of supply, and transit routes, including through Turkey and Ukraine; as well as good governance, respect of rule of law and investment in source countries. These objectives should be supported by greater engagements with the EU's neighbourhood, based on a 'wide-ranged agenda', including energy matters (energy security), especially in the frame of the Union for the Mediterranean and the Eastern Partnership. Partnerships for multilateral cooperation on energy issues are also invoked, with for example Central Asia, the Caucasus and Africa, as well as with Russia. With partners like China, India, Japan and the USA, the EU should further promote renewable energy, low-carbon technologies and energy efficiency, alongside transparent and well-regulated global markets. The new policy should also take into account the danger of the ruthless exploitation of natural resources and the increasing tensions over raw materials which could lead to new conflicts. Options for strengthening the coherence between policies and instruments are again mentioned and the Lisbon Treaty is considered a new framework to achieve this coherence.

However, no clear guidance is provided on how to proceed in that field. The energy dimension is also to be included and developed in the new 'European Security Strategy' to be elaborated in the near future (and to replace the first one, 2003–8). So far, energy is part of the debate but not really instrumentalized in concrete terms.

The development in practice of an EU external energy policy: a fragmented process

In quest of a European energy foreign policy

The Union is still experiencing numerous difficulties in implementing a common energy policy with a strong external dimension. The European Union today constitutes only the sum parts of 27 national energy markets which are liberalized but heterogeneous and fragmented when considering the ambitioned single market for energy (Glachant and Lévêque, 2009). Furthermore, there are still many obstacles preventing the EU from developing a comprehensive external energy policy. The main ones are:

- the persistent national sovereignty regarding the choice of energy resources used (energy mix);
- the preference accorded to bilateral relations with producer countries in the name of national interest;
- the preference given by member states to (non-EU) national and/or international solutions to the late twentieth century's energy crises;
- a certain reluctance of member states to share natural resources with neighbours;
- the absence of a legal basis in the treaties permitting the Union to develop a genuine overarching energy policy;
- the timidity of European institutions in promoting such a policy.

Moreover, member states remain reluctant to see the EC/EU interfering in their areas of national sovereignty, i.e. foreign and security policy, and often prefer international

cooperation – instead of European – as the best defence of their national positions. The fact that the EU has not been capable of developing a common foreign policy has reinforced this tendency and remains an obstacle for the realization of a comprehensive common European energy policy. Indeed, the energy policy has an important strategic dimension – mainly the relations with external suppliers – which has been neglected at the EU level and remains the prerogative of the member states. The paradox is that, vice versa, the fact that Europe has not developed such a comprehensive common energy policy is an obstacle to the development of a common foreign policy.

As we could see in the case of the European Security Strategy, there is a growing tendency to include energy issues in discussions of the EU's role as a global power. But, there are still very few opportunities to tackle this potential in concrete terms: to make a direct link between the internal and external dimensions and build an ambitious common external energy policy or strategy. External and internal policy objectives are pursued in parallel, but they often intertwine, and can even compete with each other. There is a damaging lack of a holistic approach in this field and a lot of confusion between the external and the internal aspects of the EU's energy policy. The boundaries and the very nature of the EU's external energy policy are not yet clearly defined.

The progressive inclusion of the energy dimension into the external policies of the EU

Despite the scattered state of the treaties, the European Union has to some extent developed the energy dimension in its external relations with third countries and within international organizations. The EU-wide range of legal instruments (i.e. trade agreements, association treaties, stabilization and association agreements, the energy community with southeastern European countries, enlargement process, European Neighbourhood policy, strategic partnerships and transatlantic relations) already contains some energy purposes. Nevertheless, as recently developed, such an 'embryonic' and 'fragmented' EU external energy policy does not so far cover the full set of foreign policy instruments that could contribute to the development and strengthening of the Union's external relations in the field of energy. Beyond the simple inclusion of energy objectives in foreign relations, the EU needs to achieve a more systematic, structured and coherent use of the legal instruments at its disposal to promote its energy policy goals externally.

The most striking example is EU Trade Policy. Energy chapters are progressively included in trade negotiations with big energy suppliers and transit countries through the Free Trade Agreements (Libya, Ukraine) and WTO accession process (Algeria, Kazakhstan, Russia). Another example is the EU Cooperation and Development Policy, which provides more and more policy space for energy matters (see the development of an EU–Africa Energy Partnership and the recent identification of energy as a priority area of the European Development Fund). Energy aspects should, however, be further integrated into these two policies.

There is scope to make better use of trade policy tools to promote energy goals such as the development of a more secure investment climate and non-discriminatory energy transit regulations. For instance, the EU could press for stronger reference to active WTO rules and principles dealing with energy in its bilateral, regional or multilateral trade initiatives. International bilateral and multilateral trade agreements concluded by the EU with third countries could also further integrate toughened market-based requirements on energy and trade-related energy issues together with provisions on market opening (access to energy

resources), transit of energy resources (gas and oil pipelines etc.), investment, regulatory convergence and competition.

Diversification of energy sources and resources

The key dimension of a European External Energy Policy is to guarantee a high level of diversification of supplies both in term of sources and resources. The optimal solution is a highly heterogeneous European energy mix. It is therefore important to diversify energy supplies by supporting and developing other sources than oil and gas. Such a policy is indispensable not only for the EU as a whole, but also for specific member states or regions. The second branch of the diversification policy is to launch various projects ensuring diversity of country of origin and transit of supply for the European Union. The EU is indeed trying to develop partnerships with its neighbours, including Russia, as well as with other main energy producers, transit and/or consumer nations of the world (i.e. EU bilateral, regional and multilateral international relations with producer, transit and consumer countries).

However, the Union suffers from a damaging lack of international credibility in that area (Mandil, 2008). It remains incapable of speaking with a single voice on the international energy scene, either within the relevant forums or, even more so, vis-à-vis producer and transit countries. This prevents it from exerting its full weight, economic, commercial and political, in its relations with interlocutors. Persistent national sovereignty over these sensitive issues explains why it is so difficult to reach an agreement of all 27 member states. Hence, the basic principle – strongly defended in the Council – is that the energy policy in general should fully respect member states' choice of energy mix and sovereignty over primary energy sources. Meanwhile, the unilateral approach of the member states to secure their energy supply remains the rule, and bilateral deals between separate EU states and external energy suppliers continue to prevail over a specific EU approach.

In this context, it is worth mentioning the 'crisis' in the relation between the European Union and Russia as illustrated by the early refusal of the EU, led by Poland and then Lithuania, to launch the negotiation of a new *Partnership and Cooperation Agreement* with Russia, mainly justified by energy concerns (Andoura, 2007). These negotiations finally began at the end of 2008, but very little progress has been achieved so far, especially in the field of energy. The outcome of this comprehensive negotiation will have a particular bearing on the EU's ability to develop a coherent energy policy with a comprehensive external dimension in the future.

If it wants to succeed, the EU needs above all to pursue this process of concluding separate binding international agreements and energy partnerships with producer and transit countries, and other international actors dealing with energy.

Energy crisis management

When confronted with serious disruption of security of energy supplies, the EU hardly responded structurally but rather through voluntary '*solidarités de fait*'. For instance, the recent bilateral oil and gas crises between Russia and Ukraine or Belarus in which the EU could not intervene technically have demonstrated the need for the EU to be capable of reacting quickly and in a fully coordinated manner to such experiences, both internally and in cooperation with its external partners (transit and supply countries and/or companies). Nevertheless, the mechanisms for preventing and managing crises are insufficient to respond effectively to crises on a scale like that of winter 2009 between Russia and Ukraine. In addition, numerous technical obstacles prevent the Union's member states from making practical responses to a

rupture of supply to their neighbours, even when they wish to give help. A Russo-Ukrainian crisis can thus hide another crisis – an intra-European one.

The gas crises between Russia and Ukraine (repeated between 2006 and 2009) have shed light on the acute vulnerability of certain member states, essentially in Central and Eastern Europe, as well as the patent lack of European solidarity – both in practice and in law – between members of the Union. To meet the challenge of energy security, these states face a little-diversified range of sources; increased dependence on Russian gas; a lack of necessary infrastructure for the creation of a Europe-wide energy network; limited storage capacities; and persistent technical difficulties (for example, in allowing the direction of pipe flow to be switched between countries when supply is broken) which prevent states from helping neighbours in times of crisis. Is another severe crisis necessary in order for it to become clear that, in this domain as in others, there can be no satisfactory solutions without increased cooperation between member states?

The EU should therefore develop a formal and targeted Community mechanism for rapid and coordinated management of external energy crisis both inside the EU (cohesion) and outside (cooperation). Such mechanisms or instruments should provide for increased collaboration, effective exchange of information, coordination of approach and direct assistance to a country facing difficulties. It should furthermore be permanent, capable of providing early warnings and cover all energy-producing and transit regions linked to the EU.

On the one hand, it is necessary to rethink the European approach to emergency oil and gas stocks by reviewing the corresponding Community legislation. A first step in that direction is the recent revision of Community legislation for the security of gas supply. The new Regulation on the security of gas supply was adopted by the European Parliament and the Council in Autumn 2010 in order to create a genuine EU mechanism for rapid and coordinated management of external energy crises aimed at ensuring the proper and continuous functioning of the internal gas market. This new instrument also provides for a better definition and attribution of responsibilities at the European and national levels. However, the success of this new Regulation as an effective mechanism for responding to external energy crises remains highly dependent on its effective application by EU member states, as well as on the effective coordination of response at the level of the member states and the Union regarding both preventive action and reaction to concrete disruptions of supply.

Short- and long-term approaches to energy security: the potential of the Lisbon Treaty and options beyond

Institutional innovations in foreign policy: towards real European energy diplomacy?

It is important to consider whether the Lisbon Treaty is capable of delivering the framework for realizing the objectives of a new, efficient and credible energy policy with a strengthened external dimension. The inclusion of a new Energy Title in the Lisbon Treaty is a result of a carefully crafted compromise between national sovereignty over natural resources issues and shared Union competence over the rest. In this respect, the Lisbon Treaty does not fundamentally change the existing division of competences between the Union and the member states on energy issues and can be seen as a mere codification of the existing practice in that area.

The Lisbon Treaty also includes important institutional reforms impacting the external action of the Union. It is therefore of interest to address these institutional innovations in foreign policy in the light of the need for a 'multifaceted' European external energy policy

(Kurpas *et al*., 2007). At the heart of the reforms, the Treaty establishes a High Representative for the Union in Foreign Affairs and Security Policy (HR) responsible for ensuring the consistency of all external action. The HR is to be supported by an External Action Service and will have a separate budget. However, the HR will not have competence over all EU policies with an external dimension, most notably environment or energy. Also, decision-making powers in the international field will not change fundamentally. They continue to rely on intergovernmental cooperation. It follows from this brief overview that the Lisbon Treaty will not fundamentally change the present situation. However, when implementing the above-mentioned institutional innovations, the European Union should push for better coordination of its external action on energy through the new diplomatic service. In this respect, the EEAS should have a clearly defined and strong energy component.

Towards a European energy community with external competence

In light of the structural deficiencies from which the EU energy policy is suffering and of the current situation, national solutions are no longer sufficient to meet the major challenges ahead. It is now crucial to develop a comprehensive common European policy in the field of energy. In this regard, the external challenges faced by the European Union imply its capability to speak and act in unison on the international scene, either in the context of maintaining good foreign relations or when confronting external suppliers. Whatever the internal rules on the division of powers may be, Europe and the European states will only be heard if ranks are closed in terms of foreign policy.

Closed ranks may require that the European Union have the capacity to question commercial deals at the national level, which may be beneficial to the parties to the deal, but not for Europe's security-of-supply as a whole. The European Union should be in a position to question, and/or pre-empt as a last resort, deals concluded by private and/or public undertakings and act (albeit on a temporary basis) as a single buyer when it comes to concluding long-term supply relationships with foreign suppliers, in particular with state-controlled suppliers of authoritarian states. Security of supply is too important an issue to be left only to the discretion of select commercial interests.

This does not mean that competition should be excluded in relation to international purchasing markets. Market forces will continue to play the predominant role when negotiating supply deals with suppliers complying with market rules and market logic. They will also dictate how external supplies will be allocated once they have reached the internal energy market. In other ways, too, where market forces can, should, and will play a role.

Last but not least, the European Union needs to project the reach of the internal market beyond its borders. The possibility of earning a reasonable return on investment in a stable and prosperous environment will continue to attract private investment – both European and foreign investors as well as energy suppliers. Foreign investment, export of new technologies and trade relations create a mutual interdependence that makes Europe less vulnerable to erratic external decision-making.

Conclusion

The urgency of the situation requires public policies reorienting societies to more sustainable, targeted and secure energy uses. Markets alone are not sufficient to deal with the global goals of a *renewed* European comprehensive energy policy; there is a strong need to combine market forces and public policies. As such, this action must be European, energy-specific and

result-oriented. Europeans should develop a common answer to common threats that are profoundly relevant to their current state of integration as well as to the future well-being of the global community. In this context, the EU needs to look for new means to reduce its external energy dependence, but above all to develop an enhanced common approach to its energy relations with external partners. A coherent external energy policy would further enable the European Union to play a more effective leading international role with respect to its energy partners worldwide. The future of the external dimension of its energy policy has thus become a major long-term geopolitical, economic, environmental and social concern for Europe.

However, the chief question for the European Union is how current developments can deal with the numerous and wide external energy issues it faces today and in the future on an unprecedented scale. In this respect, it remains difficult to see the European Union as a vast homogeneous consumer and importer bloc, and subsequently as a coherent and major external actor in that field. Until now, the national energy sectors and policies of the 27 European member states reflect high levels of disparity and asymmetry, with different energy cultures, structures and external policies. Moreover, the strategic dimension of the energy policy, i.e. security of supply and the relations with external suppliers and transit countries, has long been neglected at the EU level and remains the prerogative of the member states. At the same time, the fact that Europe has not developed so far a real comprehensive common energy policy is an obstacle to the development of a common foreign policy, and vice versa.

The numerous factors blocking the creation of a genuine common energy policy, together with doubts over the current capacity of the EU and its member states to meet its challenges, lead us to question whether the Union possesses the necessary foundations to conduct such a common energy policy and push forward a policy proposal in order to move towards a real European Energy Community with strong external components.

But all this requires setting collective ambitions at a higher level both in terms of substance and procedure. As in 1952 and 1957, there must be an endeavour to help collective ambitions focus on energy. A unique challenge requires a unique response. In this respect, the solution proposed in order to achieve that ultimate goal is to develop a fully-fledged European Energy Community in the most efficient and democratic manner (Delors *et al.*, 2010). It will require a stronger and more coherent European energy regulatory space governed by credible institutions capable of delivering effective solutions on the basis of democratic legitimacy. This common project offers the European Union, its member states and the industry the opportunity to design an enhanced common energy policy with both concrete internal and external dimensions.