



**University  
of Ferrara**

**Department  
of Law**

# **QUIRINAL TREATY ON TAXATION**

## **ENERGY TAXATION**

### **THE EU FRAMEWORK and GREEN DEAL ACTION PLAN**

Rovigo  
10/03/2023



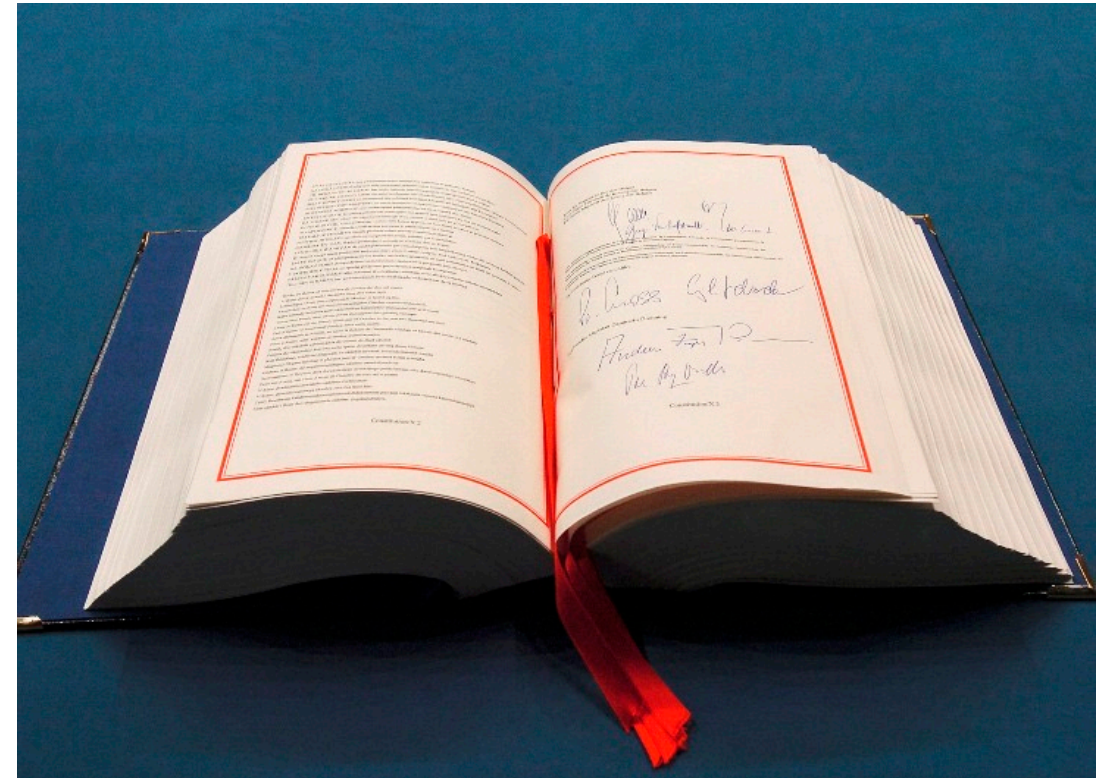
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# THE EU LEGAL FRAMEWORK

## ART 194 TFEU:

"In the context of the establishment and functioning of the internal market and with regard for the need to preserve and improve the environment, Union policy on energy shall aim, in a spirit of solidarity between Member States, to:

- (a) ensure the functioning of the energy market;
- (b) ensure security of energy supply in the Union;
- (c) promote energy efficiency and energy saving and the development of new and renewable forms of energy; and
- (d) promote the interconnection of energy networks.[...]"



# THE EU LEGAL FRAMEWORK

## ART 110 TFEU:

"No Member State shall impose, directly or indirectly, on the products of other Member States any internal taxation of any kind in excess of that imposed directly or indirectly on similar domestic products.

Furthermore, no Member State shall impose on the products of other Member States any internal taxation of such a nature as to afford indirect protection to other products."



# THE EU LEGAL FRAMEWORK

## ARTT. 117-119-120 ITALIAN CONSTITUTION:

The power of taxation is responsibility of the national government which, in turn, delegates it to Regions, Provinces, Metropolitan Cities, and Municipalities for more efficient management.



# EU LEGAL FRAMEWORK

## SUPERVISING POWER OF EUROPEAN UNION ON NATIONAL TAXES:

- 1- Ensure the free movement of goods and services in the EU.
- 2- Ensure fair competition between companies in the EU.
- 3- That taxes are not discriminatory or disproportionate for consumers.



# GREEN DEAL: HISTORY

## DIRECTIVE 96/2003:

**Aim** → restructure the Community framework on taxation of energy products.

**Art. 1** → comparative criterion for the taxation that Member States intend to apply to energy products

**Art.2** → definition of "energy products" and long list of products.

**Art.5** → Member States may choose the tax rates to apply as long as these rates respect the minimum levels of taxation that are precisely defined in the following articles

# GREEN DEAL: **DIRECTIVE 27/2012**

-**Aim**: ensure a 20% reduction in energy consumption by the EU by 2020

## HOW?

- Imposition for Member States to define national energy efficiency targets
- imposing some binding measures
- leaving Member States free to adopt more stringent minimum requirements than those provided therein to promote greater energy savings practices by member states.



# GREEN DEAL: ENERGY UNION + PACKAGES

2015: foundation of "ENERGY UNION" → guarantee consumers through the offer of safe, sustainable, and competitive supplies to both commercial and domestic use.

2016: package of 8 proposals known as "CLEAN ENERGY FOR ALL EUROPEANS". These contain:

- Member States must draw up 10-year national energy and climate plans (NECPs) that extend the expected duration from 2020 to 2021-2030
- Member States must submit a report on the progress made every 2 years
- The European Union issues a legislative package aimed at coordinating and harmonizing the energy policies of its member states

# GREEN DEAL ACTION PLAN



-Presented by european Commission on december 11, 2019

-Promotion of clean energy, seeks to align and equalize the taxation of energy products and electricity with EU policy, safeguard the EU's single market by updating the scope and structure of tax rates, and streamline the use of optional tax exemptions and reductions

-Reduction the EU's greenhouse gas emissions by at least 55% below 1990 levels by 2030 and to become climate neutral by 2050

BUT...

# WAR AND CONSEQUENCIES

The war caused a significant increase in energy prices in the EU and worldwide, and raised concerns about the security of the EU's energy supply.

Through a series of interventions and regulations, including those contained within the Green Deal, the need for greater energy independence emerged, along with the obligation to break free from Russian gas



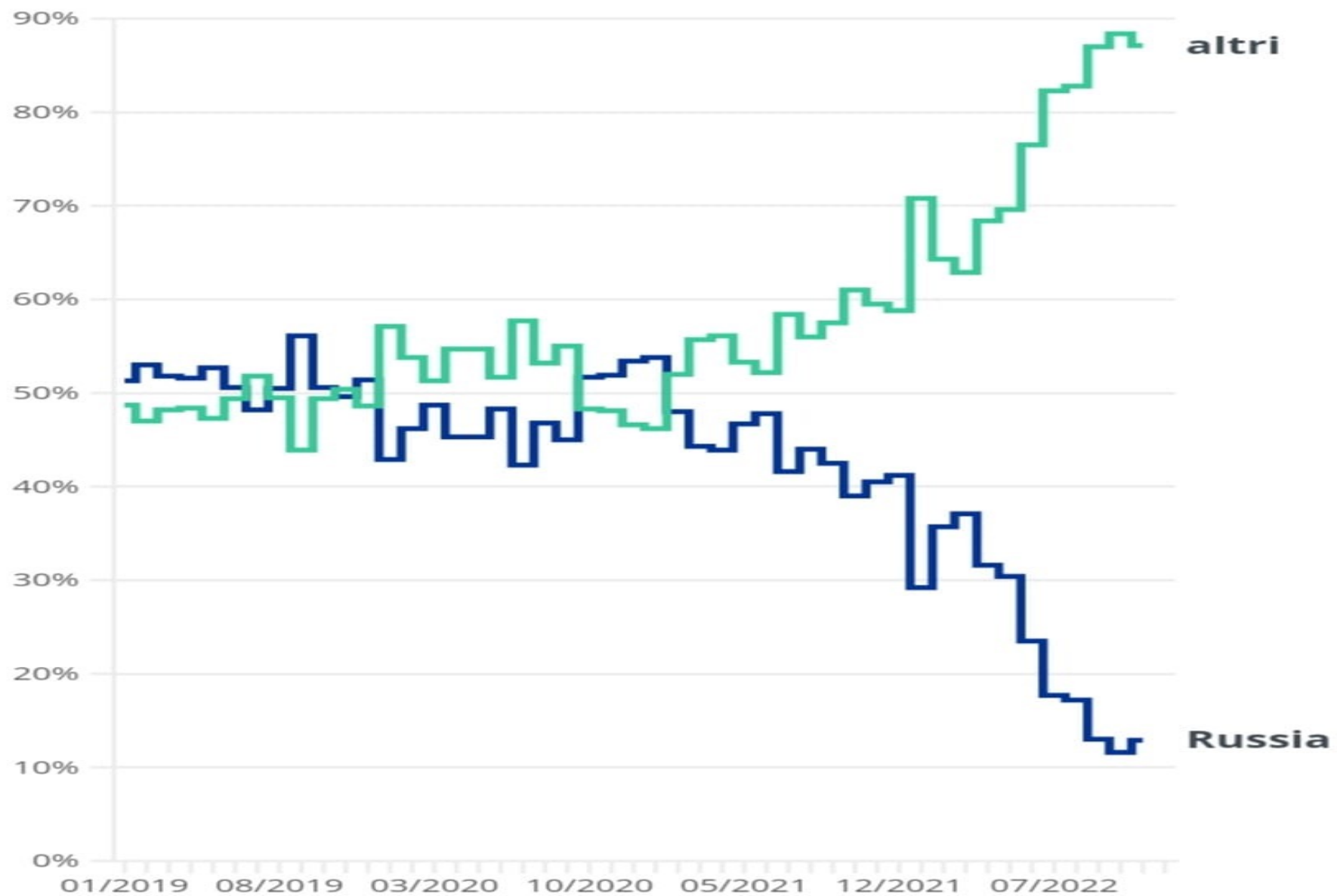


# GREEN DEAL: "REPowerEU"

This package proposes solutions aimed at addressing the consequences of war.

In particular:

- 1- Diversify gas supplies
- 2- Reduce the use of fossil coal
- 3- Save energy
- 4- Make investments and reforms intelligently.



Fonte: Commissione europea



## URSULA VON DER LEYEN:

*"We must become independent from Russian oil, coal, and gas. We cannot rely on a supplier that explicitly threatens us. We must act now to mitigate the impact of rising energy prices, diversify gas supply sources for the coming winter, and accelerate the transition to clean energy. The faster we switch to renewable energy and hydrogen, combined with greater energy efficiency, the faster we will be independent and in control of our energy system."*



Ursula von der Leyen, President of european  
Commision

# GREEN DEAL: BILLS & REGULATIONS

## Regulation 1854/22:

- 1- Fixing a maximum ceiling on the revenues of electricity producers.
- 2- Guarantee of a solidarity contribution to companies operating in the fossil fuel sector.
- 3- Reducing electricity consumption.



① all-time high at over €300/MWh

Source: **ICE index**



# CONCLUSION

Constant and strong link between the pursuit of climate improvement and the rights of consumers.

Constant attempt to propose new solutions such as the Green Deal and REPowerUE aimed at giving a turning point at the European level to the Russian situation.

Necessity that each Member State commits to achieving the set objectives, so there will no doubt that on the energy front, from here onwards, this will allow the European Union to make a great step forward.



*Thank you  
for collaboration*

ZAGO MATTIA



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