

Mr. David Sassoli  
President of the European Parliament  
Rue Wiertz, 60  
1047 Brussels  
Belgium

Brussels, 8 July 2021

**Subject: Revision of the Energy Taxation Directive – Change of legal basis to ensure European Parliament’s involvement**

Dear President Sassoli,

Next week, the European Commission is going to unveil its “Fit for 55” package. As part of this ambitious plan to ensure that the EU meets its climate goals by 2030, it will propose to revise the Energy Taxation Directive (ETD). We are seriously concerned that the legal basis used by the Commission to revise the ETD will exclude the European Parliament from the decision-making process on this crucial file.

The current ETD is an outdated taxation instrument which does not take into account the current climate emergency and needs to be revised to fit into the objectives of the European Green Deal. To that end, we would have expected that the Commission’s proposal would have changed the legal basis of the Directive, as it has itself indicated in its Impact Assessment:

*“In line with the European Green Deal communication, the review of the directive should focus on environmental issues. Therefore, it is possible to use Article 192 of the Treaty (environmental measures including measures of fiscal nature) that allows European Parliament and the Council to adopt proposals in this area through the ordinary legislative procedure by Qualified Majority Voting rather than by unanimity in the Council”.*

But recent leaks regarding the proposal in the media have made it clear that the European Commission now intends to use Article 113 TFEU to revise the ETD, leaving it completely in the hands of Member States, which would need to agree unanimously on a revised text. A previous attempt to revise the ETD already failed in 2011 because EU Member States were not able to reach consensus.

The revision of the ETD will be a key milestone to ensure that the EU delivers the European Green Deal objective of carbon neutrality and fully internalises the “polluter pays” principle in energy products, and will tackle many important issues such as fuel taxation for the aviation and maritime sectors. As civil society organisations, we are deeply concerned that the European

Parliament, the institution representing EU citizens, is not being associated to this process. Taxes are a sensitive matter that directly affect people's lives. The French 'gilets jaunes' movement that ignited over tax increases on diesel is the evidence that anything to do with tax must be handled with care, in a transparent and democratic way.

Therefore, we kindly call on you, as President of the European Parliament, to raise this issue as a matter of urgency with the European Commission.

We stay at your disposal, should you have any question on this file, and attach to our letter legal advice on the use of Article 192 TFEU as a legal basis for the revised ETD which would ensure that the European Parliament has a say in the process.

Yours sincerely,



Jeremy Wates  
EEB  
Secretary General



Anais Berthier  
Client Earth  
Head of EU Affairs

Cc Mr. Pascal Canfin, Chair of the Committee on the Environment, Public Health and Food Safety,  
European Parliament