

German-French Paper

We commit to reducing energy prices and protecting our economy

The energy prices situation and its impact on the European continent is serious. Surging energy prices are a significant threat to the competitiveness, profitability and functioning of the European economy.

Our aim as Governments is to reduce energy prices on the market as soon as possible. We need to combine all efforts to bring prices down for Europe. We call for a strengthening of the EU Energy Platform as a means to increase the EU's bargaining power. We also call for negotiated solutions with our main gas partners.

We welcome the European Commission's proposal on the redistribution of inframarginal rents as it can relief customers in a targeted and effective way without damaging internal market or price signals which are important for energy savings. However, we call on the European Commission to explore all other options that might drive prices down whilst preserving a secure energy supply and avoiding excessive gas consumption.

We also aim at bringing efficient financial support to our most impacted businesses, especially those energy intensive companies exposed to international competition, in line with the European state aid rules. Temporary crisis frameworks currently implemented at the European level are very complex and therefore not adapted to the needs of companies that have to cope with the crisis. They should urgently be improved, increased and simplified by a much more crisis-apt framework. Substantial and effective financial support should be opened to all companies which are deeply impacted by the surging prices and losing some profitability. Supporting these companies today is preventing a long term crisis with shutdowns, permanent dislocations and unemployment.

While driving this transition, we need to make sure that we take prompt and effective measures to support our companies rather than risking a long lasting loss of our competitiveness.