

Commentary to the article by Prime Minister Donald Tusk concerning the proposal to create an energy union, which was featured in the Financial Times (*A united Europe can end Russia's energy stranglehold*, 21 April 2014).

Tusk's proposal cannot be viewed without the context of domestic policy. The "Energy Union" proposal fits right into the political and election campaigns that will take place in Poland in 2014. Why a political campaign? Because in 2014 Poland will be celebrating 10th anniversary of its accession to the European Union. At this point one should ask the question - *Is the "Energy Union" proposal the same marketing trick as singing "Hey Jude"?* Let's hope that lobbying for "Union Energy" isn't on the same level as the Prime Minister's rendition of the Beatles' ballad. In this context, one would be inclined to sing: *"Hey PM, don't let me down"* or *"Hey PM, don't make it bad."*

One should also note the upcoming elections to the European Parliament and local elections in 2014. The EP elections have often been dominated by internal issues. This year, in view of the Ukrainian crisis, there is an opportunity to move beyond this pattern. This, however, does not mean anything good for domestic policy. In this context, Tusk's proposal may be viewed as a "preemptive strike" for the EP election campaign. Why? Because it was the right-wing circles (i.e. PiS), who accused the Prime Minister of naive policy towards the Russian Federation and lack of real diversification of energy supplies. A similar problem concerns adoption of the climate and energy package - which is indicated as a prime example of negligence of the governing coalition formed by PO and PSL. Basing the EP election campaign on the issue of security (Ukraine and energy) should also be viewed as a red herring in relation to social and demographic problems present in Poland. We can imagine a political and election campaign related to the EU would be based on the four freedoms of the internal market... According to prof. K.

Iglicka, about 500 thousand people left Poland in the year 2013. In this context, the freedom of movement of persons within the EU doesn't look so good. There is nothing to brag about, for it only serves as evidence of poor social and economic conditions in the country.

The "Energy Union" proposal already had its premiere at the *World Economic Forum* in January 2006, when the now former Prime Minister K. Marcinkiewicz suggested the so-called "Musketeers' Pact" or energy solidarity pact (in context of the 2005-2006 gas conflict between Ukraine and Russian Federation). Is there a chance for this project to succeed? In fact, it is difficult to grasp the idea behind Prime Minister D. Tusk's talking points. The main concept involves a different philosophy of gas market operation, which would be based on the principle of controlled purchase, as in the case of uranium (see Euratom Supply Agency). However, we must remember that although the objective of the energy markets (gas and electricity) in the European Union is the creation of a single energy market, it is one based on competition (one should note the subsequent energy packages, i.e. gas and electricity directives). If, as proposed by D. Tusk, a single institution was responsible for the joint purchase of gas from the Russian Federation, it is likely that the bargaining power and energy security of the EU would increase. However, it would take us far from competitive and free market. The question that begs to be asked is: why apply this mechanism only to the Russian Federation and to gas? After all, the import dependency ratio is far worse for all petroleum products (over 80%) than for gas (over 60%).

It is also difficult to address the problem of solidarity mechanisms mentioned by Tusk in the second pillar of his proposal, because these are indicated by the Lisbon Treaty, also as part of the Gas Directive. Activities related to strengthening the transmission and storage infrastructure (third pillar of Tusk's proposal) are also currently implemented. However, it should be noted that the current Ukrainian crisis may be a good time to step up the pressure on the "old part" of the EU to increase spending on energy infrastructure, which might not have the economic advantage, but really enhances the security of Central and Eastern Europe.

At this point, it would be appropriate to deny the solutions that were associated with the third energy package, particularly in terms of the specific regulations intended to be a nod towards Russia and Gazprom. One should consider the possibility of commencing works on the "fourth energy package", which would reevaluate the principle of separation (*unbundling*) of energy companies and so-called certification in terms of third countries. This is important due to the possibility of Gazprom operating inside the EU, for example the actual takeover of OPAL and NEL pipelines. In this case, we should increase the pressure on Germany, who is responsible for all these "nods" towards Gazprom. Angela Merkel's policy in dealing with Russia is no different from Schröder's. You could say that the "ideological leadership" of Germany in the EU has long ended and what remained may be referred to as "portfolio leadership." For the portfolios of big business are what actually creates EU policy with the governments as their hostages.

In terms of Polish national interest, it is crucial to reevaluate the directions of "green policies" of the EU, which would be rather deadly for Polish economy. About 80% of electricity production in Poland is based on coal and lignite, which makes EU guidelines with regard to the subsequent stages of low-carbon policy rather unrealistic. Signaling the issue by Donald Tusk should therefore be evaluated as positive, however, it is difficult not to get the impression that this proposal is connected to domestic policy, since the issue of fossil fuels is hardly related to the basis of solidary "Energy Union", unless "energy solidarity" is expanded to address the issue of equal opportunities for states with different energy structures. The question is why did Prime Minister Donald Tusk address these issues in an article for the FT, when he could simply begin to address problems in his own country, such as the lack of a long time transparent and effective mechanisms related to licenses for the exploration and extraction of shale gas; lack of strategic plans for the coal sector; prolonged period of construction of the LNG terminal; challenges facing the energy infrastructure and production capacity in power plants.