

(English version)

**Question for written answer E-003997/25
to the Commission
Fabio De Masi (NI)
(12 October 2025)**

Subject: Windfall tax on electricity companies

European businesses and households are currently beset by high energy and gas bills, particularly as a result of the ban on Russian gas imports and the profit motive of many privatised utilities in Europe.

However, in Regulation (EU) 2022/1854 of 6 October 2022, the Council recommended a ‘solidarity contribution’ tax on excess profits ⁽¹⁾. A study by the EPRS also concluded that a windfall tax should be applied at European level to prevent tax avoidance within the EU ⁽²⁾.

On 9 October 2025, former ECB President Mario Draghi supported the idea of public intervention in the electricity market in order to limit ‘the unearned additional profits of many established players’ and to lower electricity prices ⁽³⁾.

1. What position does the Commission take on the recent comments by the former ECB President?
2. What is the Commission’s stance on an EU-level windfall tax on electricity companies?
3. If such a windfall tax were introduced, would the Commission intend to make the revenue available to the Member States or would the Commission allocate the revenue to the EU budget?

Submitted: 12.10.2025

**Answer given by Mr Jørgensen on behalf of the European Commission
(8 January 2026)**

Direct taxation, such as taxation of windfall profits of energy companies, including electricity companies, falls essentially within the competence of Member States.

The EU-level temporary solidarity contribution ⁽¹⁾, which targeted surplus profits of Union companies or permanent establishments with activities in the crude petroleum, natural gas, coal and refinery sectors ⁽²⁾, was an extraordinary measure applied during the energy crisis of 2022-2023. Currently, the Commission does not plan to introduce any similar measure targeting profits of energy companies.

However, the Commission supports other tools for a fair and affordable electricity market, such as Power Purchase Agreements (PPAs) and two-way Contracts for Difference (CfDs).

As proposed by Mr Draghi, such tools provide affordable electricity to consumers and thereby increasingly decouple the price of electricity for consumers from volatile fossil fuel generation costs.

The Commission recently adopted a guidance helping Member States establishing CfD schemes and assessing barriers to the signing of PPAs.

Furthermore, the Electricity Market Design reform introduced the concept of an electricity price crisis, during which Member States can implement temporary public interventions to set electricity supply prices.

¹ <https://eur-lex.europa.eu/legal-content/EN/TEXT/PDF/?uri=CELEX:32022R1854>

² [https://www.europarl.europa.eu/RegData/etudes/STUD/2023/740076/IPOL_STU\(2023\)740076_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2023/740076/IPOL_STU(2023)740076_EN.pdf)

³ <https://www.handelsblatt.com/politik/deutschland/energieversorgung-draghi-fordert-eingriff-in-strommarkt-berlin-zoegert/100159432.html>

⁽¹⁾ Introduced by Council Regulation (EU) 2022/1854 of 6 October 2022 on an emergency intervention to address high energy prices.

⁽²⁾ The relevant activities correspond to following NACE codes rev 2 in accordance with Regulation (EC) 1893/2006: 05.1 Mining of hard coal; 06.1 extraction of crude petroleum; 06.2 extraction of natural gas; 19.1 manufacture of coke oven products; 19.2 manufacture of refined petroleum products.