

(English version)

**Question for written answer E-000986/26
to the Commission
Fabio De Masi (NI)
(10 March 2026)**

Subject: Countering a potential energy price shock from the war in Iran

Oil prices have spiked following the illegal attack by the United States and Israel on Iran. A recent analysis by the think tank Bruegel states that a curtailment of liquefied natural gas (LNG) deliveries through the Strait of Hormuz could cause further price shocks in the European energy market ⁽¹⁾. Even independent of rising energy prices worldwide, a further energy shock would make European production even less competitive internationally.

Against this backdrop:

1. How does the Commission assess the national instrument of an excess profit tax, as proposed by Mario Draghi in Italy in 2022 ⁽²⁾?
2. Is the Commission reconsidering its decision to end energy supplies from Russia?

Submitted: 10.3.2026

**Answer given by Mr Hoekstra on behalf of the European Commission
(16 June 2026)**

1. Direct taxation, such as taxation of windfall or excess profits falls essentially within the competence of Member States. Every Member State remains currently fully competent to address excess profits generated by energy companies in national tax law provided it respects the fundamental freedoms laid down in the Treaties. The Italian excess profit tax but also the EU-level temporary solidarity contribution laid down in Chapter III of Council Regulation (EU) No 2022/1854, which targeted surplus profits of EU companies or permanent establishments with activities in the crude petroleum, natural gas, coal and refinery sectors, was an extraordinary emergency measure applied during the energy crisis of 2022-2023 and justified by a specific set of circumstances at that time.
2. It is the position of the Commission that the EU should stay the course on its long-term strategy of diversification, decarbonisation and Russian fossil fuels phase out. Abandoning it would make the EU more dependent, more vulnerable and weaker.

In line with this, the Commission is committed to facilitating the implementation of the REPowerEU Gas Regulation. On 18 March 2026, in light of the conflict in the Middle East and its impact on global energy markets, the Commission published updated guidance ⁽³⁾ on the implementation of the regulation, with a view to reducing any unnecessary barriers to non-Russian gas imports into the EU.

¹ Tagliapietra, S., 'How will the Iran conflict hit European energy markets?', Bruegel website, 2 March 2026, <https://www.bruegel.org/first-glance/how-will-iran-conflict-hit-european-energy-markets>.

² O'Leary, N., 'Italy imposes 25% windfall tax on energy companies', *Irish Times*, 3 May 2022, <https://www.irishtimes.com/business/economy/italy-imposes-25-windfall-tax-on-energy-companies-1.4868646>.

⁽³⁾ https://energy.ec.europa.eu/news/commission-publishes-updated-guidance-repowereu-gas-regulation-2026-03-18_en.