



Hand-out Western European MEP conference 2023 The Hague

Committee ITRE

<p>EP- Committee on Industry, Research and Energy (ITRE)</p>	<p>Issue about the energy crisis</p> <p>The transition to green energy and ambitions for sustainable development received renewed attention when its geopolitical importance was emphasized after the Russian invasion in Ukraine. The EU dependence on Russian gas supply has resulted in a very complicated crisis, high inflation influencing the living standards of many households across the EU.</p> <p>How can the EU both guarantee short-term energy provision, while ensuring a long-term sustainable energy production? Should Member States that are less dependent on Russian gas provide energy to Member States that are more dependent? And what can the EU further do to diminish the dependence on fossil fuels?</p>
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What the EU has done to address this issue

The Commission has been tackling the issue of rising energy prices for the past year. Since Russia's invasion of Ukraine and its further weaponisation of energy resources, the situation on the energy market has worsened considerably.

Despite the significant drop in Russian energy supplies – from 45% of our gas imports last year, to just 14% in September 2022 – Europe has managed to find alternative supplies and reduced its demand to compensate for the shortfall. We have also taken measures to mitigate market volatility, and to help citizens and businesses by redirecting excessive energy sector revenues to them.

- Thanks to the [Energy Prices Toolbox](#), Member States have deployed many measures at national level to ease price pressure on citizens and industry. In May, we adopted the [REPowerEU Plan](#) to end our dependence on Russian fossil fuels as soon as possible.
- To ensure security of supply for the coming winters, we have put in place new minimum gas storage obligations and a target of 15% gas demand reduction to ease the balance between supply and demand in Europe. Efforts to save energy and fill storage have so far delivered good results
- In September 2022, new measures were adopted to reduce electricity demand and use energy surpluses for the benefit of citizens and industry.
- On 18 October 2022, the Commission proposed new measures on joint gas purchasing, price limiting mechanisms, and transparent infrastructure use, as well as on solidarity between Member States and demand management. This will provide further stability to the market.

Diversifying our supply

The EU has been working with international partners to diversify supplies for several months, and has secured record levels of import of liquefied natural gas (LNG) and higher deliveries of pipeline gas.

Reducing demand

- switching from gas to alternative fuels
- incentivising consumption reduction
- reducing heating and cooling



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LINKS: https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/eu-action-address-energy-crisis_en

https://energy.ec.europa.eu/topics/oil-gas-and-coal/liquefied-natural-gas_en

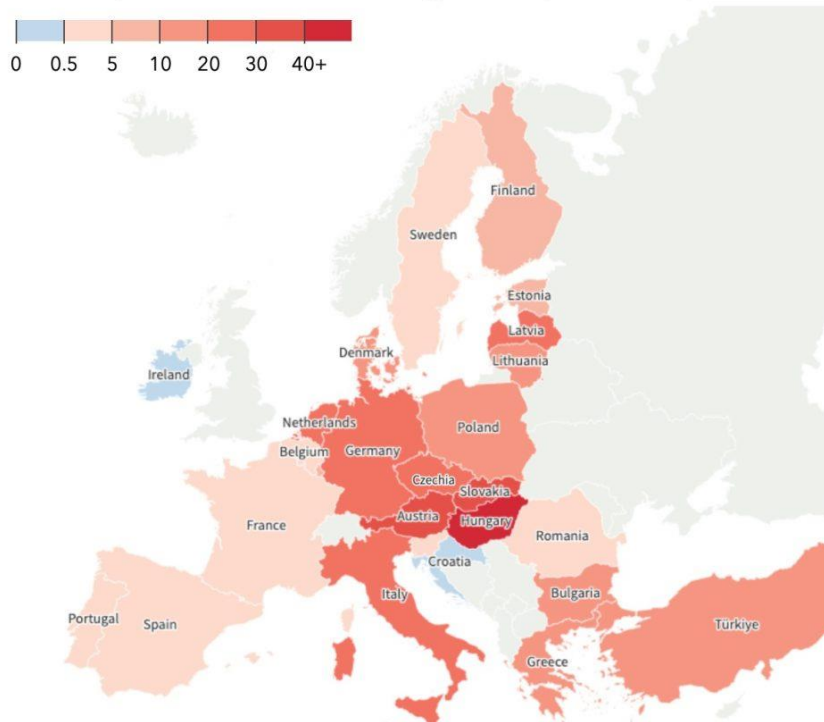
A useful website with lots of diagrams about gas prices in Europe:

<https://www.bloomberg.com/graphics/europe-energy-crisis-updates/?leadSource=uverify%20wal>

REPowerEU: A Plan to rapidly reduce independence on Russian fossil fuels and fast forward the green transition. Link: https://ec.europa.eu/commission/presscorner/detail/en/ip_22_3131

Russian gas dependence

(Russian gas as a share of total energy consumption, 2020, percent)



Source: IMF staff calculations.

IMF

Link: <https://www.imf.org/en/Blogs/Articles/2022/07/19/blog-how-a-russias-natural-gas-cutoff-could-weigh-on-european-economies>



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