**MR 1**

The Grassroots View, an EESC podcast.

In this edition of the Grassroots View we’re considering the impact of the energy crisis on our daily lives. At the end of last year, COP 26 focused our minds on climate and energy. But since then Russia has invaded Ukraine and there's a new political reality on the continent of Europe. Already, up to 1 in 4 households in the EU cannot afford to adequately heat, cool or light their homes. And prices continue to rise. Where do we go from here and what does it all mean in particular for the poorest in society? I’m joined today by an energy expert from the EESC, an energy journalist, an anti-poverty campaigner and a representative from leading think-tank.

First up, I have Alena Mastantuono, the member of the Economic and Social Committee representing the Czech Chamber of Commerce, who takes a particular interest in energy policy. Alena, what’s the view from where you sit?

**AM 1**

We live in a new political reality. The more you go east and the European union, you will hear that we live in a war in which Russians weapon is the energy. Mainly the gas, the risk that Russia stops gas exports to the EU in the next weeks is very high. And the concerns are serious. Russian gas company, Gazprom, which owns the north stream. One pipeline announced it's a new may penance around from 11 to 22nd July. And some fear that this temporary shutdown could become permanent. It is to say that Kremlin might plan to shut down. Europe's largest gas by pipeline that runs on the Baltic sea from Russia, from Germany and Germany is not only the biggie consumer, all freshman guys in Europe, but it's also the biggest exporter of fresh and gas to other European countries, including the mind.

**MR 2**

Thanks, Alena. Thomas Dorget is Managing Director of Confrontations Europe, the Paris-based think tank. Thomas, you take on this one.

**TD 1**

I would say first that the war is actually amplifying the trend. That was pre-existing it, for example, after in the post COVID-19 recovery period, I would say hydrocarbons prices were already skyrocketing. And so it's mainly due to the fact that emerging economies were growing much faster than in the pre COVID-19 period. And so the war is piling up on top of it and accelerating a trend that was already starting in late 2021. And so for the war in itself, I would say the first, the first reality where we were, we are in is that as Europeans, but as Westerners, we are realizing that we are actually living in the finite world where they would say with limited access to resources and that we can't just invent hydrocarbons as we could create from scratch financial products or like, I mean, services products in general.

**MR 3**

Hmm, a finite world indeed. Sabrina Iannazzone, you’re an analyst at the European Anti-Poverty Network. What does all this mean for those on the lowest incomes?

**SI 1**

So the situation was already quite critical. And the recent situation in Ukraine only aggravated the problem as Russia, as we know, is the main use supplier of fossil fuels as a result, consumers are, and we continue to be affected very hard hardly by high gas, electricity bills. The rising price of gas has had an impact on low income household. For example, due to the growing dependency on gas also for electricity, and there is with access to renewable and renovation programs to make the home energy efficient, vulnerable consumers, unfortunately are more and more at risk of energy, poverty, and a depravity derives from a combination of structural inequities and causes, for example, income poverty in adequate housing and unfair energy prices. All of these causes results in the inability of users to access essential energy services at an affordable price.

**MR 4**

Thanks, Sabrina. My fourth guest is Sonja van Renssesn, Edior in Chief at the newsletter Energy Monitor. Sonja, do you think up to a point climate and energy have up to now have been rather on sort of separate tracks that don't join?

**SR 1**

I think so. So traditionally you have these three pillars to energy policy, sustainability, affordability, security, and I think different themes have dominated at different times, but you rarely see all three, you know, going together hand in hand. I think the crisis forces them to be thought of together in a way that hasn't happened before. You've suddenly, I think gas has always been a particularly sensitive topic in the energy transition and the climate discussion. Things like call. A lot of people can see that coal is dirty and polluting and agree that structurally it doesn't have a long-term future. The role of gas has always been much more nuanced and what's happened now is you have, you suddenly have gas in the spotlight. Gas was for many people supposed to be the transition fuel that got us towards climate neutrality helped us get there. And suddenly gas has become a great big problem.

**MR 5**

An important part of Europe’s response to the energy crisis is RePowerEU. Alena Mastantuono for the EESC, what’s your take on RepowerEU?

**AM 2**

the plan has its limits. First and foremost, the decision when we will phase out Russian gas does not apply in our head. And it is difficult to predict whether the EU member states will be able to agree on a common European response. In case of abrupt interruption in Russian desk supplies in such a scenario check presidency will have to moderate the debate and avoid the member states act individually and close their energy market border. Second, it does not take into account that rollout of renewables has technical, economical and regulatory, but also human barriers. The movement demand for heat pumps and solar panels combined with supply chain disruptions in my country in Czech Republic, in that anyone wanting to opt for clean technology is in Portland. Certainly the share of the burden in energy saving is not well balanced. The responsibility must be here.

**MR 7**

Now, our focus on the Grassroots View is the ordinary citizen’s perspective. So let’s take a look at that. Sonja van Renssen, what do you think all this means for consumers?

**SR 2 (DUR 01:06)**

It's probably not much good news there? I think we're going to see expensive energy bills for the next couple of years. Maybe from there out into the future, the, the scenarios I've seen, they've always said energy is not going to get cheaper. It's going to get more expensive. Whether you pursue the kind of energy mix we've had to date, or whether you go for something cleaner and greener. What we've seen now is a massive rise in energy bills. That's I don't think you can. I mean, you can cut back on anytime soon, all of the options are going to be expensive.

**MR 8**

Thomas Dorget, same question to you.

**TD 3**

Hydrocarbons are getting more and more expensive. That's the fact because of the reduction of the, of the global stocks, so able supply, so great seas will rise. And so we have, so this is a huge scale re rehearsal of the next 30 years. And so we'll have in some ways to adapt or conception our consumption levels, and we'll have to implement some kind of sobriety, obscure city organized of our energy consumption. And this could be efficient at an individual level. So each and every one of us can do some kind of adaptation in this way of life. And collectively we can do a bit more in the frame of, or companies or our associations of our local governments to reduce individually or energy consumption. So it's not the most optimistic vision just before the holidays, but I would say what we're left with for the next month, right?

**MR 9**

Not optimistic and perhaps one of the factors behind the increase in the amount of direct action from people protesting about the energy crisis. Leaving aside the rights and wrongs of public protest. Are they already too late? Have we passed the point of no return? Sabrina Iannazzone at EAPN?

**SI 2**

That's a very good question. Thank you. I think that the main point of climate actions is that citizens want to feel empowered in their life, want to become actors for change, not only recipients of top-down policies, which have not met their needs so far. I think citizens are now more than ever aware of the list of the fact that the least responsible for the climate change is paying the higher prices.

So what should the policy priorities be for the short term?

**SI 3**

Hm, the policy priorities are two level. I think it's crucial to being a more policy coherence in the design of, of policies at all level European national and local level. Unfortunately in the next few years, we will be faced with the cost of, and the contradiction of certain policies with no long long-term structural changes to the benefits of citizens. In the short term, it's essential to reduce the electricity and gas bills for vulnerable consumers, but it's also important to prepare the ground for, for, for the transition what's climate neutrality in the plenary session of July, for example, members of the European parliament have just back the commission proposal to include gas and nuclear activities as environmental sustainable economic activities.

**AM 3**

Alena, in this very tense and confused picture. What are your priorities at the economic and social committee going to be in the relatively short term? And by that time in the next sort of three years or so, what for you are the things we need to do first?

I think that in the next month, in the short-term scenario, we will be really looking on emergency measures, how to secure that everyone has an access to energy. And as I said, also to ensure that the prices are not so inflated like they are.

And look further ahead for me, if you will. My last question, really, how would you see the European energy landscape in say 10 years time? Will it be a pretty picture?

I visited and spent a, certainly the majority of energy sources and the use energy makes come from safe and sustainable, low carbon energy, and that it is able to satisfy the demand on the market. We should not forget that each member state has different condition and the speed of the guard organization will be still different. Often sent historic. However, if we go too fast, we risk to lose the society and hamper the economy. If we go too slow, then the progress that would climb, it's no trolley thing. It'll be minimal. We have to choose the golden middleweight, hoard the green transition, which would bring the biggies effect for the environment and minimize the pressure on jobs and citizens. The picture can be pretty if all elements are mobilized.

**MR 10**

Sonja van Renssen, paint me your picture of the energy landscape in ten years’ time.

**SR 3**

Probably an impossible question to answer. Would it be CR well, could it get much worse, much worse than today? I guess we'll say we'll see in winter, what happens? I would say for me, what's characterize the, the energy landscape and I've been in an energy journalist for many years now, is that it's, it shows hyped in parts by, by policy, certainly clean energy. If you think of the Paris agreements and so on, but as much, or probably more than that, it's shaped by these completely unexpected events. If you think of the 1973 oil crisis, you think of Fukushima, think of the U S shell gas revolution. It's those events that have really shaped the world of energy. And, and now the Russia Ukraine war, and COVID as another one. So, and those are events that are impossible to predict. So I expect those events, you know, we'll decide where we're going to be 10 years from now more so I guess than the decisions we take today.

**MR 11**

And finally, Sabrina Iannazzone?

**SI 4**

It will probably look like a blurry picture. We probably increasing group polarization at the social and political level. As, as I, I said before, I don't believe there will be a structured changing in the energy landscape. We will still be using, although there are some measures to bond fossil fuel subsidies, carbon pricing in the build and road transport will help steel reduce emissions, but most importantly, the energy landscape in the future needs to take account the implication for low income household and for the most vulnerable. And when we talk about carbon pricing, for example, you says disproportion impact on vulnerable people. Those that leave at the moment in buildings with carbon intensive eating system and also in users that depends on fossil fuel vehicles.

**MR 12**

Thank you, Sabrina, and thanks to all my guests today. You can find all our podcasts on our website, eesc.europa.eu and do please join us again soon when we take a look at the world from the Grassroots view.

**TEASER**

In this edition of the Grassroots View we take a hard look at the energy crisis. Prices have spiralled since the Russian invasion of Ukraine, and one in four Europeans now live in energy poverty. How much worse can it get and what are the prospects for the months and years to come?

We’re joined by Alena Mastantuono, a member of the Economic and Social Committee, journalist Sonja van Renssen, the Editor in Chief of Energy Monitor, Sabrina Iannazzone analyst at the European Anti-Poverty Network and Thomas Dorget from the think tank Confrontations Europe.

That’s the Grassroots View from the EESC.