

Addressing the energy crisis and accelerating the clean energy transition for all PES Presidency Declaration, adopted on the 28 April 2022

European countries were showing signs of recovery at the end of 2021 but at the same time, energy prices started skyrocketing, leading to high energy bills that are an additional burden for many households that were still struggling to recover from the pandemic. The war in Ukraine comes on top of already difficult circumstances. From the very beginning of the Russian invasion, the PES has strongly condemned Putin's actions and supported Ukraine's sovereignty and territorial integrity. Due to uncertainties about the course of the war, it is difficult to foresee how energy prices will further evolve. Both the COVID-19 pandemic and the war have highlighted the need to implement the European strategic autonomy and achieve a true Energy Union. As pointed out by the High Representative and European Commission Vice-President Borrell, these crises will require Europe to address its weaknesses in many areas, ranging from digital technologies and critical infrastructure to other elements, including energy policies. All this is happening against the backdrop of a climate emergency that is becoming more urgent by the day, with potential catastrophic consequences for humanity as a whole. At the last European Council in March, it was agreed that the Commission will further explore possibilities to respond to the energy price shock and will present an action plan in May.

It was already clear that with the Green Deal we were pushing to accelerate the green transition for ecological and social reasons. Today it is even clearer that we must redouble our efforts to achieve Europe's energy autonomy. For us, the question of affordable and clean energy is critical in the face of the many complex challenges that Europeans are facing. We welcome the work of the PES Environment, Climate Change & Energy Network on a discussion paper Affordable and clean energy for all. Social democratic governments and parties have been responding decisively on all three main axes: ensure everyone has access to energy at a price they can afford; ensure a quick transition towards clean energy; and achieve strategic energy autonomy for our Union. In addressing the energy crisis, dedicated proposals are needed to ensure that solutions are implemented in both the short-term and the long-term across the three dimensions.

² Affordable and clean energy for all, April 2022



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 $^{^{\}rm 1}$ PES Presidency draft statement on Ukraine, adopted on the 24^{th} of February 2022

Supporting the most vulnerable

Many European citizens already struggle to cover their energy bills, and this will become worse if do not act now. Strong negative social impacts this crisis is causing require fast and immediate responses from both the national governments and the EU.

For our political family, it is clear that the most vulnerable have to be protected first. Therefore, to tackle electricity prices, we need temporary and mid-term exceptional policies that will allow families and businesses to cope with the energy crisis. We are committed to supporting our citizens through targeted measures to help alleviate and prevent energy poverty and if necessary, using all the available tools to finance these measures, such as the ETS revenues or windfall taxes. The inability to afford energy is directly related to the more general experience of poverty, which disproportionally affects women. That means the wider economic and social policies for tackling poverty are crucial. Energy policies must support those who have difficulties heating, cooling, and lighting their homes, while at the same time strengthening our economy and social protection systems for the benefit of all.

As we move forward in decarbonising our energy system, renewable energy solutions must become available for everyone. We need to ensure that we remove barriers and reduce high upfront costs which low-income households face when they want to use renewable energy sources and energy efficiency measures, regularly monitor changes in the energy market, and assess and take necessary steps to mitigate price increases in the future. All citizens should have access to affordable energy that is also clean energy. The environmental and the social dimension are two inseparable components of the Green Deal and everyone should benefit from the green transition.

Accelerating the clean energy transition

For socialists and democrats, a green and fair transition has been a priority well before the pandemic and the war in Ukraine. The European Green Deal, under the leadership of European Commission Executive Vice President Frans Timmermans, is the EU's strategy for becoming climate neutral by 2050 while leaving no one behind. The transition to a decarbonized society is not optional, and the energy sector plays a crucial role. Today those priorities are all the more urgent and important.

The clean energy transition will ultimately bring many benefits for the EU citizens, as well as Europe's strategic autonomy. Europe should do the best it can to produce more renewable energy and be more energy efficient by accelerating the roll out of renewables and the implementation of energy efficiency measures, the adoption of the Fit for 55 package, incentivizing investments, supporting research and innovation, taking advantage of EU funding such as the Next GenEU, building interconnections facilities with particular focus in the Iberian Peninsula and Western Balkans, and a large-scale infrastructure network that connects all countries within the EU but also the EU with third countries. This will help us reduce emissions, reduce dependency on imported fossil fuels, but also create new green jobs, and protect citizens, families, and businesses against price hikes.

• Reducing reliance on energy imports from Russia

The PES strongly supports the sanctions introduced by the EU against Russia and welcomes the proposals by the Commission to start reducing immediately our reliance on Russian energy imports. Russia provides more than 40% of the EU's total gas consumption and accounts for 27% of oil imports and 46% of coal imports. Europe must do everything it can to quickly and decisively cut this over-reliance. The war in Ukraine is causing further uncertainty on the markets due to the possibility of Russia stopping imports to Europe. The sooner we accelerate the roll out of green energy technologies, the earlier we can cut our energy ties with Russia. We need to act now to build up EU's resilience and take steps to strengthen its position in the global energy market by: removing obstacles to the deployment of renewables, accelerating building interconnections especially with the Iberian peninsula and the Western Balkans, coordinating joint purchases of gas, increasing storage capacities, and diversifying our supply.

As PES we will continue working on finding the best solutions to help our citizens overcome the energy crisis, protect our environment, strengthen the Energy Union and increase Europe's strategic autonomy. Pursuing these objectives together now will enable us to lay strong foundations for a more sustainable, socially fair and resilient Europe in the future.