## European Energy Union: make it a triple win, says European civil society

Concerns over the social costs and the financing of the energy transition ran through all panel discussions at the EESC's European Energy Dialogue, organised by the European Economic and Social Committee in Brussels on 8 September. The event focused on the European Commission's proposed <u>Clean</u> <u>Energy for All Europeans package</u> as seen by a wide spectrum of civil society stakeholders debating with European institutions and market players.

Hailed by all players as a very positive set of measures bringing together for the first time energy and climate action into a coherent programme, the Clean Energy for all Europeans package raises nonetheless some serious concerns. Dubbed a "regulatory trilemma" by one speaker because of its ambition to combine environmental protection and security of supply with affordability, it raises civil society's doubts as regards the social dimension — first and foremost the way it deals with the burning issue of energy poverty, which is estimated to affect 50 million people in Europe.

In opening the conference EESC President **Georges Dassis** said: "Everyone is in favour of renewables. But the Commission should be careful to ensure that the financing of such energies, which I strongly support, does not weigh equally on those that are at the top and at the bottom of the income pyramid. An energy policy is inconceivable without a social policy".

"It seems that the EC's preferred position is to rely on technology, smart meters, active consumers, local energy communities and competition to provide a fair deal for consumers", noted Frédéric Coffre, Vice-President of the National Energy Ombudsman Network (NEON). But is it realistic, asked civil society stakeholders, to expect people living from pay check to pay check to invest in solar panels or photovoltaic equipment, or to spare the money to buy more energy efficient appliances when they have to choose between buying food and heating their homes? They should not be forced into making investments that they cannot, or are not ready to, make, nor expected to subsidise the investments made by the more affluent. Social tariffs should not be banned but may need to be considered as necessary to protect vulnerable consumers, said civil society stakeholders.

Participants also voiced concerns about the job implications of the energy transition, and the need for measures to shield regions that rely on the production of fossil fuel such as coal and shale from the adverse consequences of the energy transition. ETUC's Confederal Secretary Montserrat Mir, also stressed that "an energy transition based on the offshoring of manufacturing activity and the import of low cost goods cannot be a just transition. To keep citizen support we need a transition that creates quality jobs".

As the brunt of funds would have to come from private capital, all agreed that a stable investing environment to encourage long-term engagement was of paramount importance. The lack of fiscal incentives was underlined as the missing element in the Energy Union. Price incentives were pointed to as the most effective tool to raise awareness and get people to be creative in a drive to avoid costs and reduce energy consumption. "Why do we still use public money to support investments that are environmentally harmful?", wondered some, while others suggested shifting tax away — for example from labour towards carbon — as an instrument which had been shown to produce growth.

While energy scores very low in consumer satisfaction compared to other services, it is also the area where Europe can bring citizens the most tangible benefits, and the Energy Union is potentially one of the few projects around which all 27 Member States can converge. In closing the conference **Pierre-Jean Coulon**, president of the EESC section responsible for energy (TEN), said: "Building an Energy Union is not just creating one more institution for the sake of its symbolic value. It is building the capacity for European citizens to live a bit better tomorrow than they did yesterday. This is our role, it is the role of each and every one of us and if there is one way we can achieve this, it is not individually, but collectively."

## To learn more about the EESC's recent work on energy:

## To find out more:

## Upcoming events and initiatives

- 7 November European Parliament event on the financing of the energy transition
- 26 October WWF event on stakeholder participation in the definition of national plans
- WWF joint statement seeking support for on the content of long-term strategies
- Joint project by WWF, Ecologic Institute and Institute of European Studies to help stakeholders around the EU engage in the development of Member States' energy and climate plans and strategies.

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