

As the energy price crisis continues to bite, Central and Eastern European countries blame the EU's carbon market for their woes. These countries are more reliant on fossil fuels and have pointed at the higher cost of transitioning to clean energy.

But simply dismissing these calls as the cries of populists would be ill-advised as EU leaders meet in Brussels for a two-day summit starting tomorrow where energy prices will be high on the agenda.

A round-up of the responses by European capitals to the energy crisis, published by EURACTIV over the weekend, shows that central and eastern member states are also quick to blame the EU's climate policies for the current rise in energy prices.

The attacks were unusually ad hominem, targeted straight at Frans Timmermans, the European Commission executive vice-president in charge of the Green Deal.

"I think the real responsibility belongs to Timmermans," said Hungarian Prime Minister Viktor Orbán earlier this month. "[He made] a very bad calculation, and now the people of the European Union are paying an extra price."

Orbán's criticism targets the EU's carbon market, the Emissions Trading Scheme (ETS), which he claims has been wrongly designed.

"The ETS system must be cancelled or suspended. The price will go up every day if this stupid plan is not withdrawn," he declared.

"We have to go back to reality. Otherwise, we'll have to pay an extra taxation for your car, for your flat and the price of everything - even food - will go up. And everybody will suffer, so that crazy idea must be stopped," he continued.

Of course, Orbán's inflammatory comments have to be seen in the context of next year's parliamentary elections in Hungary. Over the weekend, an alliance of six opposition parties selected their candidate for the election due to take place in spring 2022 or earlier. Orbán is no doubt looking over his shoulder at what could be a serious challenge to his almost 12-year grip on power.

But Hungary is not alone in its criticism of Europe's green ambition and can expect support from other countries, like Poland and Czechia.

Ahead of this week's summit, Warsaw circulated a "non-paper" urging the EU to "revise or postpone" key parts of Europe's climate proposals, including the ETS.

"The three of us - the Czechs, the Poles and the Hungarians - have made it very clear that we demand the withdrawal of the rules that have contributed to the current high prices," Orbán told national radio on 8 October.

Proposals to shelve EU climate plans are likely to be squarely rejected by richer western European countries, like Germany, which has placed the green transition at the centre of

their economic growth strategy.

Yet, the demands of Poland and Hungary cannot simply be ignored. While suspending EU climate policies seems out of the question, concerns over the social impact of the green transition won't merely go away.

Energy prices are likely to stay high in the long term precisely "because of the environmental transition," warned French economy minister Bruno Le Maire. In other words, volatile energy prices are likely to become a feature of the green transition as investors turn away from riskier fossil fuels.

"During the transition phase, we will face both old - fossil fuel-related - and new threats," the Polish paper says. "We should be ready to address both," it adds.

EU leaders would be well-advised to keep this in mind when they thrash out their response to rising energy prices tomorrow.

Source: euractiv.com