



**Statement before the  
Commission on Security and Cooperation in Europe  
(U.S. Helsinki Commission)**

***“The Future of European Energy  
Security”***

A Testimony by:

**Joseph Majkut**

Director, Energy Security and Climate Change Program,  
Center for Strategic and International Studies

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The energy crisis triggered by Russia's invasion of Ukraine in 2022 reshaped global energy markets and placed Europe on a new energy trajectory. Today, I want to highlight three key themes which have emerged from that crisis:

First, Europe managed the loss of Russian gas supplies through a combination of liquefied natural gas (LNG) imports and the acceleration of renewable energy. Second, the financial and infrastructure challenges this transition brought still need resolution today. And finally, the need remains for the U.S. to craft a long-term strategy to address Russia's role in global energy markets.

My colleagues and I have been working on a two-year project focused on understanding the lessons of the European energy crisis for US-Europe cooperation and global energy security. I refer the Commission to the report we published over the summer, [\*Power Plays: Europe's Response to the Energy Crisis\*](#), which forms the basis of my remarks today.

### ***Theme 1: Combined Success***

When Russia weaponized its energy exports following its invasion of Ukraine, Europe was forced into an unprecedented test of its energy resilience. Russian fossil fuels, which once made up one-fifth of the EU's energy consumption, quickly dwindled to just 5% in a matter of two years. Europe had to act quickly to reduce demand, increase imports from alternative sources, and deploy renewables.

A critical part of Europe's survival strategy involved ramping up natural gas imports, much of that was LNG from the US. Between 2021 and 2022, European imports of US LNG doubled, rising from 29 to 70 billion cubic meters (bcm). U.S. LNG exports, which doubled between 2021 and 2022, became crucial in filling the energy gap, with Europe emerging as the primary market for U.S. LNG. Buying such large quantities of LNG from global markets required that European buyers pay high prices, which peaked in summer 2022, but have settled at about double pre-crisis levels.

At the same time, Europe made significant strides in renewable energy. Wind and solar projects were expanded dramatically, demonstrating that an energy transition can also support energy security. While Europe already had significant renewable generation pre-crisis, renewable generation grew quickly post-crisis—by 80 TWh in 2022 and 87 TWh in 2023—with similar increases anticipated for 2024. Renewable capacity adds up year-over-year, so as wind and solar expand, they are expected to reduce need for gas and coal in power generation.

This combination of quick action on LNG imports and the expansion of renewables helped Europe weather the storm and keep the lights on. However, this success came at a significant cost.

***Theme 2: Costs and Infrastructure Requirements***

The rapid transition away from Russian energy imports cost Europe dearly. The fiscal outlay to shield consumers and firms from rising energy prices amounted to €651 billion by mid-2023. Across different European countries, this spending ranged from 1 to 7 percent of GDP, a cost which would be unsustainable for the long-term.

The costs of energy in Europe, which are still twice those in the United States, were recently highlighted in Mario Draghi's report, [The future of European competitiveness](#), as a threat to industrial competitiveness. To address this, Europe will have to invest in additional infrastructure that will enable further decarbonization and reduce energy costs.

Indeed, we now see Europe investing in new infrastructure for energy security. New gas infrastructure will meaningfully move European countries off Russian imports for good. For example, the Vertical Corridor is a pipeline project that will link gas systems stretching from Greece to Ukraine, replacing Russian gas supply in Moldova and Ukraine. And the Adriatic pipeline will link supply from North Africa to Italy and points beyond in Europe. The Baltic Pipe connects Poland to Norway, which is now Europe's largest gas supplier.

Likewise, the energy crisis highlighted the immense strategic value that cross border interconnections create by providing flexibility and optionality to the power sector. Europe is pursuing expanded transmission capacity with projects such as the Biscay Gulf Interconnection which links Spain and France and the NeuConnect project which links the UK to Germany. Even more than pipelines, these international connectors require a great deal of trust between the countries on either side and a substantial investment in physical security.

***Theme 3: Strategy for Russian Energy Exports***

As Europe managed a transition away from Russian energy, Putin's cronies looked elsewhere. Russian energy is not disappearing from global markets. Russian liquefied natural gas (LNG) still finds buyers, and the country continues to use energy exports as a source of revenue for domestic and war spending.

Russia forecasts that its [energy export revenues](#) will increase in 2024, despite the imposition of Western import bans and the US-led oil price cap. Designed to reduce Russian oil export revenue without spiking global prices, the price cap is leaking. As my colleagues from CSIS recently [wrote](#):

But overall, embargoes and price caps have had only a modest impact on Russian state finances. Russia's export volumes have held up thanks to its shadow tanker fleet, and despite crackdowns and pressure on dodgy traders, it has been hard to curtail activity in dark corners of the oil market that enable Russian exports.

The reality is that demand for energy products, combined with sophisticated markets, means that energy will find a way into global markets. More effective enforcement may help, but the U.S. needs to think strategically about how to contain Russia's influence over global energy markets while providing alternatives for energy-importing countries. That means focusing on developing clean energy economies around the world and allowing U.S. export volumes of oil and gas to contribute to well-supplied and less volatile energy markets.

### ***Conclusion***

In conclusion, the energy crisis in Europe has reshaped the global energy landscape in ways that will have lasting effects. The lessons are clear: LNG imports and renewable energy helped Europe survive a major geopolitical shock, but the transition was costly and revealed new infrastructure needs. The emphasis on infrastructure should not be understated, as the countries that can effectively plan, fund, and build energy infrastructure will win over the long-term.

As the U.S. looks ahead, we can continue to leverage our natural resources to supply global markets, support the development of infrastructure that will improve energy security in Europe and elsewhere, and coordinate with our allies on targeted measures to keep downward pressure on Russian energy exports.