

TAKING ACTION AGAINST RISING INFLATION AND ENERGY PRICES - SYNOPSIS

Background information

In the Fall of 2019 a new type of pneumonic virus arose from Central China, rapidly spreading around the world. Currently, it has been 2 years of a full economic crisis since the pandemic started.

Since the majority of the populace was quarantined at home, the industry was under a critical shortage of manpower. Solely this factor has severely crippled the economy. As the international tragedy in Ukraine unfolds before our eyes, surging commodity prices are pushing inflation in most European countries to the highest levels in over 40 years. This also made the Green Deal agreement from 2020 to be invalidated, since the whole energetic sector of the eastern Europe is highly dependent on Russian gas imports. Policy of the European Union on renewable energy also increased the prices of gas and petrol. Russia, as the biggest exporter of gas, and its economy is highly dependent on gas exports. After the announcement the price of gas surged to astronomical levels and spread chaos throughout the European continent. In recent days representatives of the western agenda have put their heads together and are making an effort to find an alternative petrol supplier, moreover loosening the economical and political grip Russia has around Europe.

Considering the arguments stated above, we can state that:

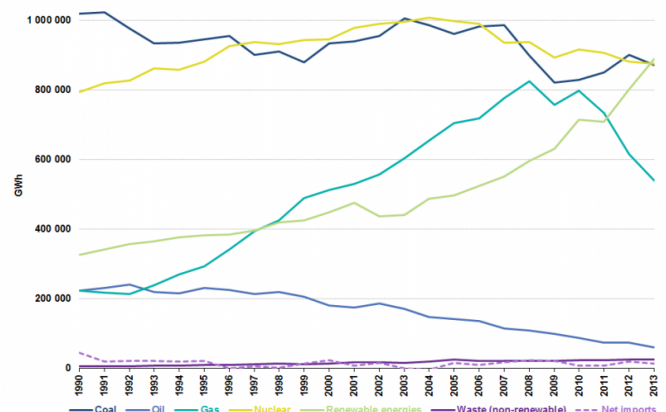
- Surging prices of petrol worldwide directly influenced the economy, being the main contributor to the inflation around the world.
- Economically-wise, both the EU and Russia are economically dependent on each other.
- It is absolutely necessary for the committee to prevent the world economy from entering recession, while decreasing the rate of CPI and WPI.

European gas prices surge past record highs
€ per megawatt hour



Source: Refinitiv
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Gross energy generation composition in Europe 1990-2013



Prices of gas OVER TIME

Questions to consider:

- What is your country's policy on fossil fuel and energy expenditure?
- How dependent is your country in the energy sector?
- What is the composition of your country's energy sources in the energetical sector?
- What are your proposals on resolving the issue of economic dependency in the long run?
- What does your country think is the best way to reduce energy prices?
- What is your country's policy on huge crypto farms? If they reduced them, did the price of energy decrease?
- Is your country dependent on Russian gas? If yes, what measures were implemented to counter threats from the Russian side?

Useful sources :

<https://www.ecb.europa.eu/press/key/date/2022/html/ecb.sp220108~0425a24eb7.en.html>

<https://www.euractiv.com/section/energy/news/energy-price-crunch-risks-derailing-un-climate-talks-iberdrola-warns/>

<https://unece.org/info/Sustainable-Energy/events/362287>

<https://yearbook.enerdata.net/>

<https://www.bbc.com/news/uk-northern-ireland-58558645>

<https://proximasolutions.eu/it/blog/entries/russia-ukraine-conflict-energy-price-effect>

https://ec.europa.eu/eurostat/statistics-explained/index.php?title=File:Gross_electricity_generation_by_fuel,_GWh,_EU-28,_1990-2013.png