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The bloc has driven up energy costs and damaged its industries by abandoning Russian gas, the president has said



By Frank Dumon

The EU is burying its own economy by rejecting Russian energy supplies, Russian President Vladimir Putin has said. European nations have faced soaring energy costs since imposing sweeping sanctions on Russia and its hydrocarbon exports following the escalation of the Ukraine conflict in 2022. Brussels has pledged to eliminate Russian gas imports entirely by 2027, despite opposition from several member states. Speaking at the eighth Gas Exporting Countries Forum summit in Moscow on Tuesday, Putin warned that efforts to push Russia out of the global gas market were hurting European industries and households.

“Europe is dealing a blow to its own industry and social sector by abandoning Russian energy supplies and tearing up long-term contracts,” he said. There is a saying in Russia: ‘Don’t dig a pit for someone else, or you might end up there yourself.’ In my view, that is precisely what has happened today in the countries of the European Union.

Putin also accused European nations of hypocrisy over their approach to fossil fuels, arguing that they had built their own prosperity on resources they now discourage developing countries from using. “The economy of modern Europe was built precisely on coal and hydrocarbons,” he said.

Yet those same countries reopened coal-fired power plants “when they found it more difficult to address their own energy challenges,” Putin added.

European gas prices surged to their highest level since December 2022 on Monday, briefly exceeding €97 ($108) per megawatt-hour as supply disruptions linked to the Iran war and forecasts of colder weather rattled markets, according to Trading Economics.

Germany, Europe’s largest industrial economy, has been particularly hard hit by the loss of Russian gas. The country suffered two consecutive years of economic contraction in 2023 and 2024, while its energy-intensive industries, particularly chemicals and metals, have struggled with higher production costs. German industry is shedding around 15,000 jobs a month, Tanja Goenner, head of the Federation of German Industries, warned in July, citing structural weaknesses, US tariffs and mounting competition from China.

EU gas prices hit four-year high

Liquefied natural gas (LNG) shipments through the Strait of Hormuz, which accounted for around a fifth of global LNG trade before the start of the US-Israeli war against Iran earlier this year, remained around 80% below pre-conflict levels. Some EU countries have already begun drawing on stored gas as temperatures drop. Trading Economics forecasts that European gas prices will reach €98.20 per megawatt-hour by the end of the fourth quarter of 2026.

In the UK, the month-ahead gas contract rose by 4% to its highest level since December 2022, according to The Guardian. Brent crude, which climbed to $117 per barrel last week, has since eased slightly but remains at around $115. British households could face a 27% increase in energy bills in January, pushing the average annual dual-fuel bill to nearly £2,200 ($2,940), according to a forecast by energy

supplier EDF. An earlier forecast by Cornwall Insight projected a 16% increase to £2,000. In August, The Guardian reported mounting concerns in the EU over low gas storage levels and soaring prices ahead of winter. In September, EU Energy Commissioner Dan Jorgensen warned that the bloc faces its worst energy crisis since 2022.

In mid-October, German media reported that Berlin plans to make households and businesses pay for a national emergency gas reserve costing more than €3 billion over ten years. The government-controlled stockpile would be reserved for emergencies, including sabotage and infrastructure failures, rather than being used to lower gas prices. The opposition Alternative for Germany (AfD) party called for energy ties with Russia to be restored, following US President Donald Trump's example. On October 13, AfD co-leader Alice Weidel said Germany should seek its own diesel deal with Russia, praising Trump's agreement with the country as a pragmatic approach.

Following the EU's sweeping sanctions on Russia in 2022, the bloc experienced one of its worst energy crises in decades. Gas prices soared above €300 per megawatt-hour, driving up costs for industries and households and contributing to surging inflation. The EU has continued its efforts to phase out Russian energy. While Russia accounted for around 45% of EU gas imports in 2021, the share fell to around 12% by 2025. Moscow has described the EU's efforts to sever energy ties with Russia as "suicidal." Last week, Russian presidential investment envoy Kirill Dmitriev argued that the bloc would eventually have to restore ties because "cooperation with Russia economically will be inevitable." Dmitriev blamed the EU's problems, including high energy costs, on its leaders, saying they refuse to acknowledge and correct their mistakes.

Economic pressures have also fueled public anger across Europe. Rising living costs, stagnant wages and government policies have triggered protests in France, Belgium, Italy and other countries this month, with demonstrators demanding relief for struggling households.

MOSCOW, October 28. /TASS/. The West has made a fool of itself in its attempts to isolate Russia, suffering a complete fiasco in the process, Russian Foreign Ministry Spokeswoman Maria Zakharova said.

"Westerners are making fools of themselves. Their plans to isolate Russia have failed. They're already arguing among themselves about who called whom," the diplomat noted during a Sputnik Radio broadcast, referring to the recent squabble in Europe over the telephone conversation between Russian President Vladimir Putin, Finnish President Alexander Stubb and Norwegian Prime Minister Jonas Gahr Store. "This so-

called isolation of Russia is a complete fiasco for the West. It’s a caricature of their policy," she pointed out.