



By Nicolas Rochon, Founder and CEO of RGREEN INVEST

“ EUROPE FACES ITS DESTINY - THE COUNTDOWN IS ON ”

The arrival of Donald Trump and his administration at the White House raises many questions about the new energy strategy and its long-term climate impacts. Paradoxically, this shift also presents an opportunity for Europe, which now more than ever needs a clear energy strategy to secure its energy independence, strengthen its competitiveness, and enhance its long-term economic attractiveness.

The New U.S. Energy Strategy: A Short-Sighted Vision Rooted in Fossil Fuels

The initial executive orders issued by the new administration send strong and unambiguous signals about the new American energy and climate strategy. The Federal Reserve's withdrawal from the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) highlight a deliberate choice: prioritizing short-term economic pragmatism through fossil fuels rather than investing in the long-term development of a sustainable, low-carbon, and climate-resilient energy system.

An opportunistic American Approach to Energy

The United States is prioritizing energy cost concerns with the most immediate and accessible solution—expanding carbon-based energy production. This is a calculated strategic decision based on the country's abundant fossil resources, particularly unconventional oil and gas, the most polluting sources of production.

However, this policy is unlikely to be sustainable in the long run, given the detrimental impacts to the global climate systems, which are increasingly showing signs of instability, and the lack of social acceptability of such an expansion of upstream oil and gas.

Above and beyond their environmental consequences, this shift in policy creates regulatory and legal uncertainty for existing energy projects in the United States. This raises serious concerns on the international stage, with a potential domino effect. In this uncertain context, the United States may struggle to mobilize available capital and attract local and foreign investments to continue developing its green industry.

Europe Faces a Strategic Choice

Unlike the United States, Europe does not have an abundant supply of developed fossil fuel resources. Europe has little choice but to accelerate its ongoing transition in order to strengthen its energy security and independence, a key ingredient for a resilient and attractive economy.

Long-term planning and regulation are the key pillars for a successful transition. The European Union must draw lessons from the past and take inspiration from the strategy implemented by France in the 1960s to ensure its energy independence. That bold initiative gave France a competitive edge for nearly 50 years, providing stable and low-cost electricity and establishing France as an energy exporting and stabilizing force in the European power system.

Today, in a world where low-carbon electricity production has become increasingly competitive, Europe's energy transition must be guided by strong political will. This means continuing to steer the current system toward the electrification of usages and the expansion of clean energy production capacity.

Only a predictable and low-cost energy system can give Europe a decisive competitive advantage, ensure its long-term energy independence—the cornerstone of its sovereignty—, enhance its attractiveness for foreign investment, and pave the way for sustainable economic growth.

Europe has all the necessary assets to succeed in this transformation. A vast pool of available capital can be channelled toward the massive investments required for this green economic transformation. However, time is of the essence. The rest of the world has already set its energy trajectory, while Europe seems to lack the collective resolve needed to drive real change.

An Opportunity for Europe

The shift in U.S. energy strategy is not just a challenge - it is also an opportunity. With the U.S. market sealing itself off, Asian energy component manufacturers are seeking new buyers, making Europe the next major target market. This supply-demand imbalance could allow Europe to further reduce the cost of energy infrastructure investments while strengthening its industrial and technological capabilities in the renewable energy sector under highly favourable conditions.

Keep Calm and Double Down on Energy Transition

This is a defining moment for Europe. It is being challenged by the United States to reprioritize its energy policy in favour of carbon-intensive energies, with unpredictable long-term costs and potentially serious consequences for the future. But Europe must not fall into this strategic trap, must choose its energy independence, reinforce its leadership in clean energy innovation and continue to accelerate its energy transition.

Energy is a fundamental, long-term political and economic issue that demands strong leadership, clear regulatory frameworks, and long-term planning. In a world going through a period of de-globalisation with inflationary pressures mounting, this is the only path for Europe in order to maintain its sovereignty and build an independent, influential, industrially robust, and economically attractive future. Europe must seize the moment. The energy sector offers a unifying project that can provide long-term economic clarity for its citizens.

The time to act is now.