

European energy policy: The Clean Industrial Deal, industrial growth, electrification and competitiveness

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Fit for 55

Energy system integration strategy

Hydrogen strategy

Additional energy policy

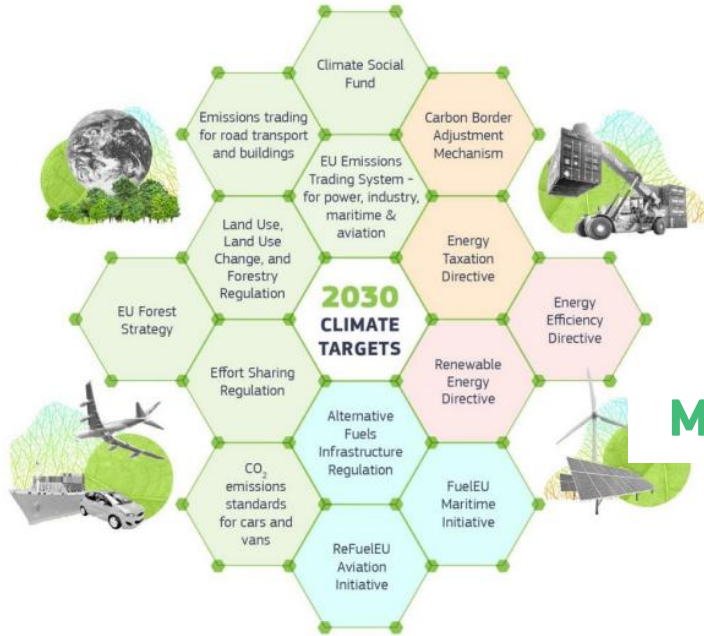
Climate target plan

Renovation wave and energy poverty

Methane strategy

Revision of TEN-e Regulation

Offshore renewables strategy



Russian war, gas supply cuts drive prices higher: REPowerEU: from goals to actions

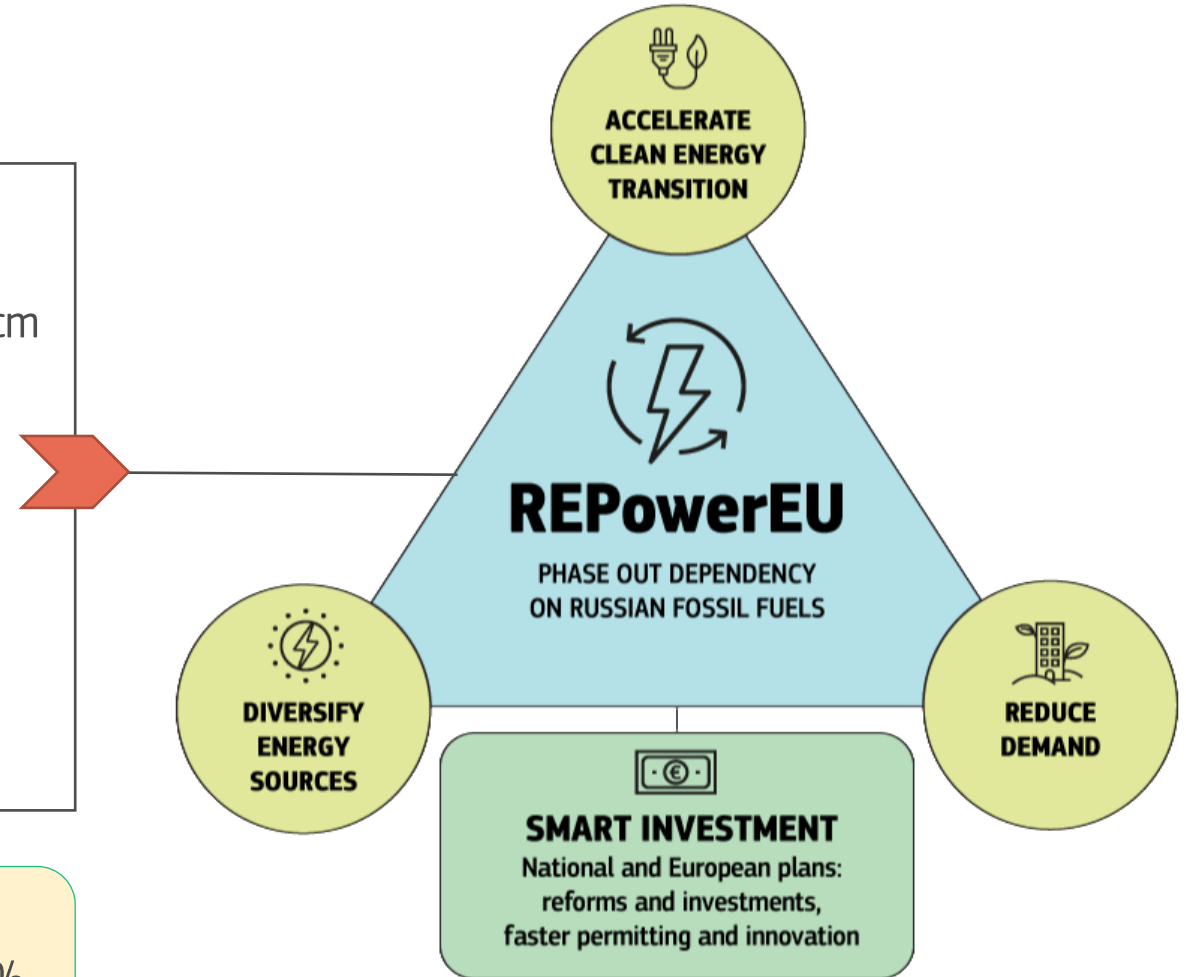
March Communication; 80% target, state aid; May plan roll out

Independence from Russian fossil fuels by 2027

- Increase imports of **liquefied natural gas** (LNG) by 50 bcm
- Increase **pipeline gas** imports by 10 bcm
- Increase **biomethane** production by 3.5 bcm
- EU-wide **energy saving** to cut gas demand by 14 bcm
- **Rooftop solar** to reduce gas demand by 2.5 bcm
- **Heat pumps** to reduce gas demand by 1.5 bcm
- Reduce gas demand in the power sector by 20 bcm by deployment of **wind and solar**

Increase the target of renewable energy from 40% to **45%** by 2030

Increase the target of energy savings from 9% to **13%** by 2030



The Competitiveness Compass

January 2025



A new plan for Europe's sustainable prosperity and competitiveness

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Closing the innovation gap

Decarbonisation and competitiveness

Reducing dependencies, increasing security

- **simplifying** the regulatory environment, reducing burden and favouring speed and flexibility
- fully exploiting benefits of scale offered by the **Single Market** by removing barriers
- **financing** through a Savings and Investments Union and a refocused EU budget
- promoting **skills and quality jobs** while ensuring social fairness
- better **coordinating policies** at EU and national level

Clean Industrial Deal

Affordable Energy: Europe's energy prices are higher than those of trading partners, impacting competitiveness, especially for energy-intensive sectors

- **Circularity and Access to Materials:** High dependence of EU industry on critical raw materials. Materials are not reused sufficiently, precious materials are being thrown away

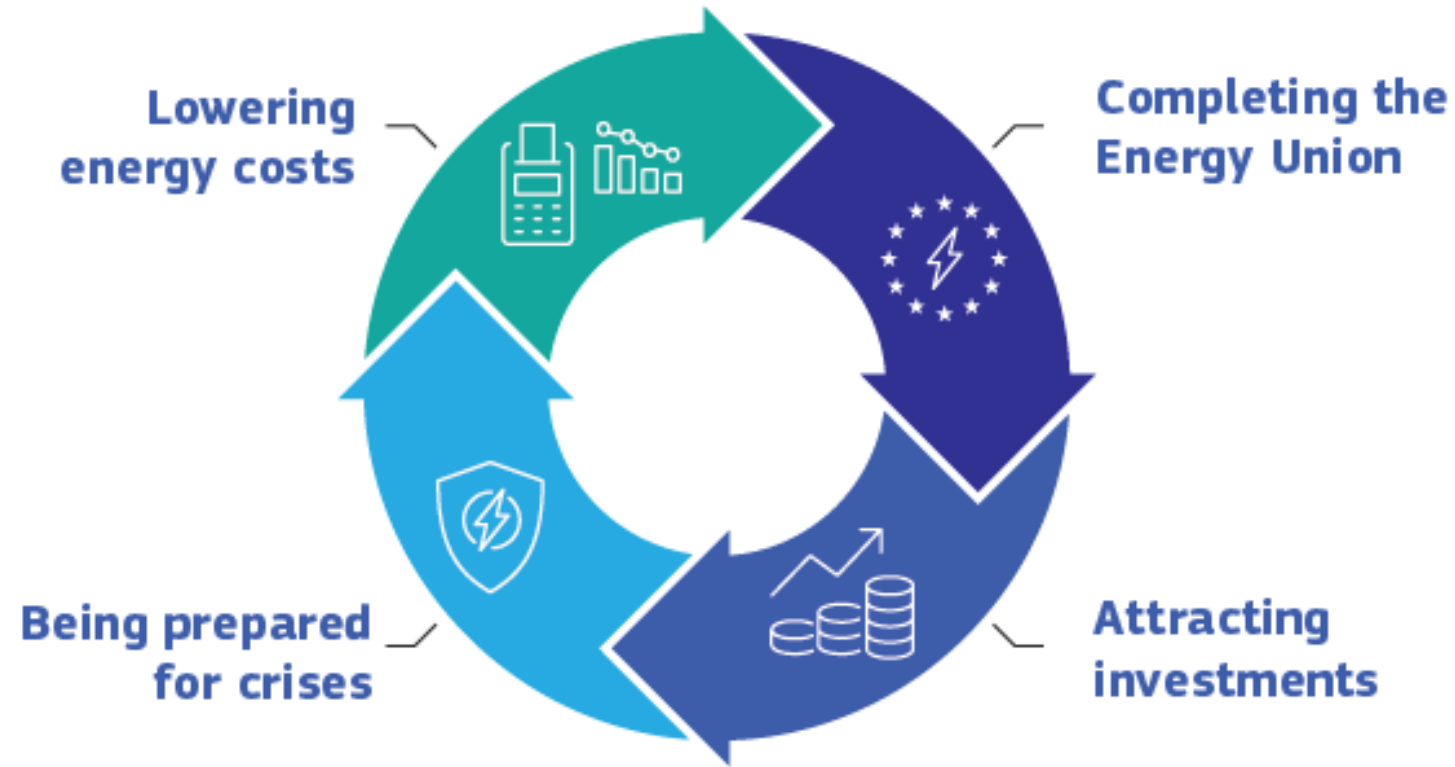
Lead Markets: Lack of stable and predictable market demand for clean tech products

Financing: Not enough investments to support decarbonisation, electrification and competitiveness of the industry

- **Global Markets and International Partnerships:** The EU has scarce primary materials needed for the clean transition. There is a global race for access to markets, raw materials and new technologies

- **Skills Enhancement:** Businesses need access to workers with the right skills. Offer quality jobs and ensure just transition

Affordable Energy Action Plan



€40
billion

A fully integrated energy market could bring **benefits of up to €40 billion per year by 2030.**



€260
billion

A greener, smarter and more flexible energy system will help **save €45 billion in 2025, going up to €260 billion annually as of 2040,** representing 1.2% of the EU's GDP.



European
Commission

Pillar I: Lowering energy costs

Action 1

Making electricity bills more affordable

2025

More efficient network charges

Reduced taxes & levies

Increased retail competition

Action 2

Bring down costs of electricity supply

2025
2026

Long-term electricity supply contracts

Reduced permitting times

Grid expansion & modernisation

Boosting flexibility

Action 3

Ensuring well-functioning gas markets

2025

Ensuring well-functioning gas markets

Harnessing EU purchasing power to get a better deal for imported natural gas

Action 4

Energy efficiency – delivering energy savings

2025

An energy efficiency market of European dimension

Give consumers access to more efficiency appliances & products

Benefits to European consumers

Lowering electricity taxation

Potential to approx. **halve tax component** of energy bills.



Electricity market integration, renewables, flexibility

40% lower wholesale electricity prices on average in the EU.



Accelerating electrification share by **40%** by 2030

€32 billion/year in energy system cost savings in 2030

Energy market integration

€40-43 billion per year in benefits for EU citizens by 2030.



EU's fossil fuel import bill to drop

€130 billion of savings per year by 2030, representing an estimated 0.65% of GDP by 2030.

Thank you.



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