



## State of the Energy Union 2021: Renewables overtake fossil fuels as the EU's main power source

Brussels, 26 October 2021

The Commission adopted today its [State of the Energy Union Reports for 2021](#), taking stock of the progress that the EU is making in delivering the clean energy transition, nearly two years after the launch of the European Green Deal. While there are a number of encouraging trends, greater efforts will be required to reach the 2030 goal of cutting net emissions by at least 55% and achieving climate neutrality by 2050, and the data will need to be analysed carefully next year for more long-term post-COVID trends.

The report shows that renewables overtook fossil fuels as the number one power source in the EU for the first time in 2020, generating 38% of electricity, compared to 37% for fossil fuels. To date, 9 EU Member States have already phased out coal, 13 others have committed to a phase-out date, and 4 are considering possible timelines. Compared to 2019, EU27 greenhouse gas emissions in 2020 fell by almost 10%, an unprecedented drop in emissions due to the COVID-19 pandemic, which brought overall emission reductions to 31%, compared to 1990.

Primary energy consumption declined by 1.9% and final energy consumption by 0.6% last year. However, both figures are above the trajectory required to meet the EU's 2020 and 2030 targets, and efforts need to continue to address this issue at Member State and EU level. Fossil fuel subsidies dropped slightly in 2020, due to lower energy consumption overall. Renewable energy and energy efficiency subsidies both increased in 2020.

This year's report is also published against the backdrop of an energy price spike across Europe, and around the world, driven largely by increasing gas prices. While this situation is expected to be temporary, it puts into focus the EU's dependence on energy imports, which has increased to the highest level in 30 years, and the importance of the clean energy transition to increase the EU's energy security. Energy poverty affects up to 31 million people in the EU according to the latest data, and this issue will remain in sharp focus in light of the economic challenges of COVID-19, and the current price situation. It is why the Commission has put a strong focus on shielding vulnerable consumers in its recent [Energy Prices Communication](#).

The State of the Energy Union Report analyses how energy and climate policies have been impacted by the COVID-19 pandemic in the past year, and it presents the substantial legislative progress in pursuing the EU's decarbonisation efforts. It also notes the political efforts to ensure that our post-COVID recovery programmes embrace our climate and energy objectives more than ever.

### Background

The [State of the Energy Union Report](#) analyses the five pillars of the Energy Union: accelerating decarbonisation with the EU Emission Trading System (ETS) and renewables at its core; scaling up energy efficiency; enhancing energy security and safety; strengthening the internal market; research, innovation and competitiveness. It also identifies areas of future priority action in delivering the European Green Deal. Five inter-related reports accompany the main report.

- [Annex on Energy subsidies in the EU](#): Fossil fuel subsidies fell in 2020, principally owing to decreasing energy demand amid the Covid-19 pandemic, however, additional efforts need to be made in order to ensure that fossil subsidies are to decrease in the future in the EU, avoiding a rebound in subsidies amid general economic recovery and increasing energy demand.
- [Progress on competitiveness of clean energy technologies](#) assesses the clean energy ecosystem, from research and innovation to deployment. It assesses progress based on key competitiveness indicators. The report shows that while the EU remains at the forefront of clean energy research, further efforts are needed to increase R&I investments and to bridge the gap between innovation and market
- [The Climate Action Progress Report](#): "*Speeding up European climate action towards a green, fair and prosperous future*" describes progress made by the EU and its Member States

in attaining their greenhouse gas emission reduction targets, and reports recent developments in EU climate policy. The report is based on data submitted by Member States under [EU Regulation on the Governance of the Energy Union and Climate Action](#).

- **[The Carbon Market Report](#)** describes developments in the functioning of the European carbon market, including on the implementation of auctions, free allocation, verified emissions, balancing supply and demand, market oversight and EU ETS infrastructure and compliance.
- **[The Fuel Quality Report](#)** provides information on the progress made with regard to the greenhouse gas intensity reduction of road transport fuels and the quality and composition of fuels supplied in the EU. The report summarises the situation reported by Member States under Articles 7a and 8(3) of the [Fuel Quality Directive](#).

## **For More Information**

[State of the Energy Union Report](#)

[Q&A on the sixth State of the Energy Union Report](#)

[Press Release on Climate Reports](#)

[Climate Action Progress Report](#)

[Annex on Energy subsidies in the EU](#)

[Progress on competitiveness of clean energy technologies](#)

[Carbon Market Report](#)

[Fuel Quality Report](#)

[State of the Energy Union Report webpage](#)

[Delivering the European Green Deal](#)

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