



State of the Energy Union Report 2024 shows EU progress to ensure secure, competitive and affordable energy for all

Brussels, 11 September 2024

Today, the Commission has published the [State of the Energy Union Report 2024](#) which describes how **the EU has managed unprecedented challenges in the energy policy landscape during this Commission's mandate**, equipping the EU with a regulatory framework for **pursuing the clean energy transition** and laying the **foundations for renewed economic growth and competitiveness**.

Crucially, over the past years, the EU has managed to withstand critical risks to its security of energy supply, regain control over the energy market and prices, and accelerate the transition towards climate neutrality:

- Renewable energy generation is breaking new capacity records. In the first half of 2024, half of the EU's electricity generation came from renewable sources.
- The share of Russian gas in EU imports dropped from 45% in 2021 to 18% by June 2024, while imports from trusted partners like Norway and the US have increased.
- We reduced gas demand between August 2022 and May 2024 by 138 billion cubic meters.
- The EU reached its 90% winter gas storage target on 19 August 2024, well ahead of the 1 November deadline.
- Energy prices are more stable and remain significantly below the peak levels of the energy crisis of 2022.
- The EU's greenhouse gas emissions fell by 32.5% from 1990 to 2022, while the EU economy has grown by around 67% in the same period.
- At international level, the EU led the global initiative to triple renewable energy capacity and double energy efficiency improvements as part of the transition away from fossil fuels, which was endorsed by all Parties at COP28 in Dubai.

Significant progress has been made on **renewable energy**. Wind power overtook gas to become the EU's second largest source of electricity behind nuclear, and by the first half of 2024 renewables generated 50% of electricity in the EU. In 2022 the EU's **primary energy consumption renewed its downward trend**, falling by 4.1%. Nevertheless, energy efficiency efforts will need to be stepped up further for the EU to meet the 11.7% final energy consumption reduction target by 2030. Further improvement is needed, not least in the electrification of heating equipment across the board and the rate of renovation of buildings. Strengthened efforts are needed to address high energy prices. This is key to improve the competitiveness of EU industry, and to accelerate investments in Europe's integrated infrastructure networks, which are essential for the electrification of the European economy.

The report recalls that all **Member States must submit their final updated National Energy and Climate Plans as soon as possible**, to ensure collective achievement of the 2030 energy and climate goals. The assessment of the draft updated NECPs published in December 2023 shows that Member States have taken **a step in the right direction**, but this is **not yet sufficient** to reduce net greenhouse gas emissions by at least 55% by 2030 and they need to take into account the Commission's recommendations for their final Plans. Today, the Commission also published [a report on the functioning of the Regulation on the Governance of the Energy Union and Climate Action](#), which concludes that the regulation is playing an important role in keeping the EU on track to meet its 2030 targets by making planning and reporting more coherent, integrated, and simpler.

New and emerging challenges will need to be addressed in the future, such as the current ambition gap in renewables and energy efficiency targets, the increase of energy poverty, the energy price differential compared to other global competitors, and the risk of new strategic critical dependencies. They will require a **decisive policy response** and a **step change in efforts at EU and Member State level**, through **more coordination, market integration and joint action**.

The EU has **continued to stand by Ukraine** in the face of relentless Russian attacks on its energy system. The synchronisation of the Ukrainian and Moldovan grids with the Continental European Network helped stabilise Ukraine's electricity system and the capacity for electricity exchanges has now reached 1.7 GW for commercial trade. It also enables Ukraine to benefit from emergency imports. By 31 July 2024, over 40% of all donations from Member States were dedicated to the energy sector, with the Union Civil Protection Mechanism's total contribution estimated at over €900 million. The Ukraine Energy Support Fund (UESF) also mobilised over €500 million by June 2024. In addition, the EU's €50 billion Ukraine Facility will provide consistent funding to aid Ukraine's recovery and sustainable economic growth up to 2027.

Enhancing energy security and competitiveness

EU manufacturers face growing competition in net-zero technologies on global and domestic markets. The Report recalls the importance of the [Net-Zero Industry Act](#) and the [Critical Raw Materials Act](#), alongside the reform of the Electricity Market Design to face these challenges. Today's report also recognises the **need to build on partnerships with industry** to accelerate the development of net-zero technologies and strengthen the EU's manufacturing base. Industrial alliances such as the European Battery Alliance, European Clean Hydrogen Alliance, Solar PV Industry Alliance, Renewable and Low-Carbon Fuels value chain Industrial Alliance and Alliance on Small Modular Reactors will play an important role. The Commission's clean transition dialogues with industry and social partners will support the implementation of the European Green Deal.

The [Innovation Fund](#), with its estimated budget of around €40 billion until 2030, also plays a crucial role. The [European Hydrogen Bank](#), financed from the EU ETS Innovation Fund, is up and running and has conducted a first successful round of EU auctions awarding nearly €720 million to 7 renewable hydrogen projects in Europe.

Empowering consumers in the clean transition

With new energy market legislation, such as the reformed Electricity Market Design, **the most vulnerable will be better protected** from disconnection. In case of a natural gas price crisis, Member States can introduce measures to protect consumers and ensure access to affordable energy and essential social services. This includes through interventions on price settings at retail level to shield consumers from excessively high prices.

The [Social Climate Fund](#) will also be a key instrument, to mobilise at least €86.7 billion for 2026-2032, financed from ETS revenues and at least 25% Member State co-funding. The Fund will support structural measures and investments in energy efficiency renovations, access to affordable and energy-efficient housing, clean heating and cooling and integration of renewable energy as well as in zero- and low-emission mobility and transport. There is also an option to provide temporary direct income support.

Background

This report is published each year to take stock of the EU's progress towards the objectives of the Energy Union. Following [last year State of the Energy Union report](#) dealing with the challenges and achievements in 2020-2023, this year's report gives an update on how the EU successfully acted on unprecedented developments and challenges in the last year of this Commission's mandate.

The first part of the report shows how the high energy and climate ambition under the [European Green Deal](#) provided the basis for the EU's crisis response strategy and the [REPowerEU Plan](#). It also outlines steps to enhance the competitiveness of European industry. The second part analyses the state of play in the implementation of the Energy Union in all its five dimensions: (1) security, solidarity and trust; (2) a fully integrated internal energy market; (3) energy efficiency; (4) climate action and decarbonising the economy; and (5) research, innovation and competitiveness. This year's report is accompanied by an annex containing information on voluntary and national schemes on bioenergy in the Member States.

For More Information

[State of the Energy Union Report 2024](#)

[Factsheet State of the Energy Union Report 2024](#)

[Annex on bioenergy](#)

[State of the Energy Union 2024 - Country fiches](#)

[State of the Energy Union Report webpage \(with full set of documents and reports\)](#)

[Report on the functioning of the Regulation on the Governance of the Energy Union and Climate](#)

[Action](#)

[Energy Union webpage](#)

[REPowerEU Plan](#)

[National Energy and Climate Plans \(NECPs\)](#)

[Delivering the European Green Deal](#)

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Quotes:

"While we keep living in turbulent times and we have challenges ahead, today's report shows the unprecedented progress we have made in this mandate to strengthen our Energy Union. Emissions are falling, and renewables play a prominent role in our energy system today. We should swiftly implement the new policy and regulatory framework to address the elevated energy prices, and accelerate development of infrastructure. We will also bring the lesson learned on overdependency on one supplier with us and continue with our project of joint purchasing expanded to new commodities as ensuring industrial competitiveness will be key for the EU's future economic success."

Maroš Šefčovič, Executive Vice-President for European Green Deal, Interinstitutional Relations and Foresight - 11/09/2024

"This year's report shows that we are no longer at the mercy of Putin's pipelines, and we keep standing by our Ukrainian partners as winter approaches. The report highlights the progress we have made under this mandate towards a secure, competitive, and affordable energy sector in the EU. The EU is well equipped to navigate the profound changes and challenges that lie ahead and deliver on its commitments towards the planet and its citizens. Our Energy Union is stronger and greener than ever before."

Kadri Simson, Commissioner for Energy - 11/09/2024

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 [The island of Samsøe: an example of a self-sufficient community in renewable energy](#)