

November 5, 2025

EU Is Progressing towards Its 2030 Climate and Energy Goals While Tackling High Energy Prices, 2025 Energy Union Report Shows

Key policies: *Energy Union Strategy, European Green Deal, EU Climate Law, National Energy and Climate Plans (NECPs), Affordable Energy Action Plan, Clean Industrial Deal, EU Emissions Trading System (EU ETS), EU Renewable Energy Framework (RED III), EU Energy Efficiency Framework, Governance Regulation on the Energy Union and Climate Action, EU Climate Neutrality Objective 2050, Proposed EU 2040 Climate Target*

The **European Commission** has published the **State of the Energy Union Report 2025**, together with the **Climate Action Progress Report 2025**, confirming that the EU continues to make **steady progress towards its 2030 climate and energy targets**, while addressing **high and volatile energy prices** and strengthening energy security.

The reports show that the EU is advancing towards a **robust and integrated Energy Union**, driven by increased deployment of renewable energy, improved energy efficiency and sustained reductions in greenhouse gas (GHG) emissions. These efforts are reinforcing the EU's **competitiveness, decarbonisation, energy independence and security**, while reducing reliance on imported fossil fuels.

Progress towards 2030 climate and energy targets

Based on the Commission's assessment of **National Energy and Climate Plans (NECPs)** and the latest greenhouse gas projections submitted by Member States, the EU remains on track to meet its key 2030 objectives:

- At least **55% reduction in net GHG emissions** compared to 1990 levels
- At least **42.5% share of renewable energy** in the EU energy mix

Provisional data for 2024 show that **EU GHG emissions decreased by 2.5% compared to 2023**, reaching **37.2% below 1990 levels** (or **39% when only domestic net emissions are considered**). Over the same period, EU GDP increased by **71%**, demonstrating a continued **decoupling of economic growth from emissions**.

These findings are consistent with the latest **European Environment Agency** trends and projections.

Renewables and energy efficiency gaining momentum

The EU electricity system continues to decarbonise rapidly:

- Around **77 GW of new renewable capacity** was installed in 2024
- **47% of the EU electricity mix** came from renewable sources in 2024

Final energy consumption decreased by **3% compared to 2022**, driven primarily by reductions in the residential sector, followed by industry and services.

However, the reports underline that **significantly faster deployment of renewables and energy efficiency improvements** will be required in the coming years to fully meet the 2030 targets.

Lowering energy prices and strengthening competitiveness

The implementation of the **Affordable Energy Action Plan** and the **Clean Industrial Deal** is progressing and remains central to supporting households and industry. Despite improvements, **average energy prices in the EU remain higher than those of key global competitors** and vary significantly between Member States, posing challenges to industrial competitiveness.

To address this, the Commission is intensifying efforts to lower energy prices through a package of **seven key actions** aimed at delivering both short-term relief and long-term structural benefits.

As part of these efforts:

- The **European Investment Bank (EIB)** is launching a **€1.5 billion programme** to provide guarantees for European grid component manufacturers
- A **€500 million pilot programme** will support clean **Power Purchase Agreements (PPAs)** through counter-guarantees

Electricity consumers have already benefited significantly from the clean transition. Between 2021 and 2023, electricity generation from new solar and wind installations resulted in **€100 billion in savings**, while every **1% improvement in energy efficiency reduced gas imports by 2.6%**.

Strengthening energy security and independence

The transition towards domestically produced clean energy has also delivered tangible security benefits. The EU has reduced the share of **Russian gas in its imports from 45% in 2021 to 12% by August 2025**, significantly enhancing energy resilience.

In the long term, completing the Energy Union through clean energy deployment and energy efficiency will further reduce import dependence, structurally lower energy prices and support climate neutrality.

Completing the Energy Union in the decade ahead

The next decade will be decisive for completing the Energy Union and achieving **climate neutrality by 2050**. The proposed amendment to the **European Climate Law**, setting a **90% GHG emissions reduction target by 2040**, is currently under negotiation and will serve as a cornerstone for the post-2030 policy framework once adopted.

Key challenges ahead include:

- Large-scale **electrification**, increasing electricity's share in final energy consumption from **23% today to around 32% by 2034**
- Major investments in **electricity grids** and infrastructure
- Accelerated **energy efficiency improvements**
- Boosting **innovation and clean tech manufacturing**

The Commission estimates that achieving these objectives will require **€695 billion in annual energy-related investments between 2031 and 2040**.

The forthcoming **EU Multiannual Financial Framework (2028–2034)** is expected to play a central role in reinforcing cross-border infrastructure and directing funding towards strategic clean energy technologies. In parallel, the planned revision of the **Governance Regulation on the Energy Union and Climate Action** will be pivotal in shaping the post-2030 framework.

Background

The **State of the Energy Union Report** is published annually to assess progress across the five dimensions of the Energy Union. It is accompanied by thematic reports, including the **Climate Action Progress Report**, which tracks historic and projected emissions, policy implementation, climate finance and adaptation across all Member States.

Together, the 2025 reports confirm that the EU is **on a credible pathway towards its 2030 targets**, while highlighting the need for **accelerated action, investment and coordination** to complete the Energy Union and secure a competitive, climate-neutral future.

Source: https://ec.europa.eu/commission/presscorner/detail/en/ip_25_2586