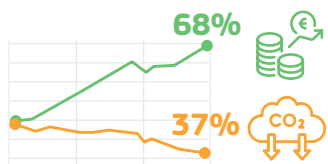




THE EU'S PROGRESS ON CLIMATE ACTION

The EU is at the forefront of global climate action, achieving remarkable reductions in greenhouse gas (GHG) emissions and spearheading advancements in renewable energy. This progress surpasses that of any other major emitting economy, reinforcing the EU's commitment to a sustainable and resilient future.

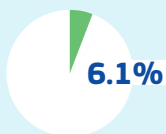
GHG REDUCTION & RENEWABLE ENERGY SURGE



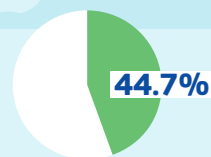
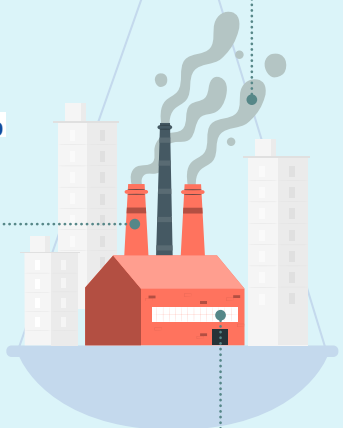
Between 1990 and 2023, **GHG emissions decreased by 68%**, while the **economy grew by 68%**.

2023 saw a record decrease in emissions: In 2023, total EU GHG emissions decreased by 8.3% compared to 2022. This marks the largest annual reduction in several decades (excluding the COVID-19 pandemic year of 2020).

The record emissions reduction in 2023 is linked to the acceleration of the energy transition. Emissions from the energy industry in 2023 fell by 18% compared to 2022.



EU's GHG emissions now represent only **6.1%** of global emissions (sharp decrease from 14.9% in 1990).



In 2023, wind energy surpassed natural gas to become the EU's second largest source of electricity generation behind nuclear. Renewable energy overall became the leading source for electricity generation for the first time, accounting for **44.7%** of total electricity production.

Electricity generated from fossil fuels decreased by 19.7% in 2023, compared with 2022.



EU EMISSIONS TRADING SYSTEM (ETS) PROGRESS



Emissions from installations covered by the EU ETS are now around **48%** below 2005 levels and well on track to reach the 2030 target of **-62%**.



Emissions from power and industry installations decreased by **16.5%** in 2023, compared to 2022, achieving the highest reduction to date.



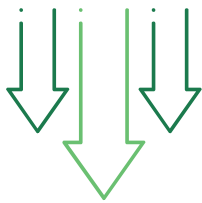
EUR 200 billion

The EU ETS has raised over **EUR 200 billion in auction revenue** to date, with EUR 43.6 billion raised in 2023. The revenue will be used by Member States for climate action investments.



From 2027, a **new EU ETS (ETS2)** will cover CO₂ emissions from **fuel combustion in buildings, road transport and small industry**.

PROGRESS ON EFFORT-SHARING SECTORS*



In 2023, **emissions from the effort-sharing sectors fell by 2%** compared to 2022 and were 19.2% lower than in 2005.

Compared to 2022, emissions from buildings decreased by 5.5%, agriculture by 2.0%, and transport by 0.8% in 2023.

*Includes transport, buildings, agriculture, small industry and waste

CLIMATE ACTION FOR PEOPLE

The flagship initiative, **Pact for Skills**, has **trained over 3.5 million workers** through 2,500 organizations.



Almost 200,000 workers will gain new skills in projects financed by the **Just Transition Fund**.

CLIMATE FINANCE

Achieving climate neutrality by 2050 requires significant public and private investments:

EUR 565 billion estimated energy investments per annum for 2021-2030

EUR 660 billion estimated energy investments per annum for 2031-2050

EUR 785 billion estimated transport investments per annum for 2021-2030

EUR 870 billion estimated transport investments per annum for 2031-2050



The EU budget for 2021-2027 allocates **EUR 658 billion to climate action**, exceeding the target for spending 30% of the budget on climate-relevant objectives.

The EU, its Member States and financial institutions remain the leading contributor of development assistance and **the world's biggest climate finance contributor**, accounting for about a third of global public climate finance.



While mobilizing these funds is indeed a considerable effort, it also represents a significant investment opportunity for businesses and industries to lead the transition towards a sustainable future.

In 2023, the EU contributed EUR 28.6 billion from public sources and mobilized an additional EUR 7.2 billion in private finance to support developing countries in combating climate change and adapting to its impacts.

The EU remains on track to fulfil its commitment to reduce emissions by at least 55% by 2030. As a **leader in climate action**, the EU not only sets ambitious targets but also inspires and **collaborates with international partners** to drive global climate initiatives. However, to ensure the realization of future targets — such as a 90% reduction by 2040, as recommended by the European Commission, and achieving net-zero emissions by 2050 — **continued action is essential**. The EU is dedicated to maintaining its momentum, leveraging its influence to drive transformative change for a sustainable and equitable future for all.



Scan to read the full EU Climate Action Progress Report 2024

The information in this factsheet is sourced from the EU Climate Action Progress Report 2024 and was compiled with the support of the EU-Japan Green Alliance Facility.