

# Long-term strategy: press conference by Maroš Šefčovič

Ladies and Gentlemen,

**Under this mandate**, we have focused primarily on **what needs to be done** for the clean energy transition **between now and 2030**. And by the end of it, **we will have delivered** on all our commitments.

The **policies put in place so far** will go a long way – even after 2030 – but they **will only bring us to emission reductions of around 60% by 2050**. This is not sufficient for the EU to contribute to the Paris Agreement's temperature goals.

Today, we are **therefore looking further ahead** – towards 2050 and towards a climate neutral Europe – **not only to contribute but to lead on the Paris' goals**.

Climate change is already affecting Europe. For instance, we had **extreme heat waves in four of the last five years**. Last year's **weather-related disasters cost us unprecedented EUR 283 billion** in economic damages.

**Status quo is not an option!**

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Today, we are taking **a first serious step towards climate neutrality**.

In fact, the European Union is **the first major economy** that is presenting its **strategy for economic and societal transformation** – involving all sectors – **that could lead to net-zero greenhouse gas emissions by 2050**.

We have identified **a number of strategic building blocks that can pave the way** towards a climate neutral economy – *and Miguel will describe them in a greater detail*.

You won't be surprised that **energy plays a central role**, as it accounts for over 75% of the EU's greenhouse gas emissions.

For instance, by **maximising the deployment of renewables** – making them the backbone of our power system – **over 80% of electricity will be coming from renewables by 2050**.

This will pay off and bring down our **fossil fuel imports from 55% to 20%** – as a result, we will **save EUR 2-3 trillion** after 2030. Instead of paying third countries for energy that we only burn, we can **invest into modern, cleaner industry** that provide high quality local **jobs**.

We will be **stepping up renovation of our buildings** and heat them with **renewable energy**, instead of polluting fossil fuels.

The **renewable electricity** – in combination with European green batteries and alongside other alternative fuels – **will also power our bikes, buses, cars or trains**. This will bring **healthier air** and again **investment into European industry**.

Speaking of industry, we now know that **industry can and is ready to decarbonise**, too. This will require **investment into more electrification, use of hydrogen, biomass and renewable synthetic fuels**.

All of this will see **the necessary infrastructure in place**, for instance smart electricity and data grids, smart charging, including vehicle-to-grid technology.

And I'm particularly proud that **social fairness in this strategy is not an afterthought** but we will make sure that **no one is left behind in the first place** – as we are already doing with coal regions in transition.

**Green jobs in the EU already amount to 4 million** but for some sectors, the transition can be difficult and we will need to **invest massively into upskilling**.

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The key to success is that **all sectors pitch in**, as we will be **actively paving the way for this major modernisation** of our economy – be it industry, transport or land and agriculture. But we also need innovation, finance, circular economy, trade.

It is under this Commission when we **have learnt how to better integrate various policies into the Energy Union**. And I reiterate that **once and for all**, we have to **break walls among sectors** during this transformation towards climate neutrality.

This will require **significant additional investment**. We estimate that we will need additional investments **in the range of EUR 175 to 290 billion per year**, if we want to achieve a net zero greenhouse gas economy.

But **we will also be saving money** on fossil fuel imports, energy efficiency, health expenditure from air pollution or the circular economy.

Moreover, we have already proven that it is **possible to grow and cut emissions at the same time**. From 1990 to 2017, energy use was reduced by almost 2%, greenhouse gas emissions by 22%, while our GDP grew by 58%.

We want to **be and can be the global leader!** The global economy is already transforming and having this **strategy will help us reap the benefits of first mover**.

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The necessary investment will be **too high for the public sector** to provide alone. But we will **make sure that the incentives are right** and enable the private sector and the financial system to contribute.

We will therefore foster such investment, through **clear, long-term signals**, like this strategy.

So as you can see, we are providing **a clear sense of direction**. But at the same time, **this is an opening salvo for a thorough debate** across our societies because we need an **early long-term planning**.

**In the run up to the Sibiu summit** on the Future of Europe, all relevant **Council formations should hold policy debates** on ways to contribute to this vision.

But one thing is already clear – **a planet with a climate that's out of control** would **not be a safe and prosperous home**. And therefore, we have to act!