

Clean electrification is the corner stone of EU's competitiveness, energy security, resilience, and prosperity

The Electrification Alliance calls for an Electrification Action Plan
in the first 100 days of the next European Commission

Brussels, 11 April 2024

Ahead of Council discussions on the Strategic Agenda 2024-2029, the Electrification Alliance – a network of 10 European organisations representing all segments of the electricity value chain – reiterates why **accelerating clean electrification is paramount to solving the priorities defined by Member States at the Granada meeting in October 2023, namely: competitiveness, security, and resilience, while improving citizens' quality of life.**

Europe has faced a number of challenges which have tested the foundations of our energy system. COVID, Russia's invasion of Ukraine, the bumpy economic recovery, and the climate crisis – all of these have stressed the growing need to make our energy system more resilient.

Direct electrification via homegrown clean energy sources drives Europe's response to these challenges. Building a resilient and competitive electricity-based energy system will empower consumers, create millions of jobs, and, with a nature-positive approach, help to protect and restore nature.

But Europe's rate of electrification is stagnating at less than a quarter of all energy use (Fig. 1). This means that while we are working hard to decarbonise electricity, large parts of the economy are still running on fossil fuels. If we are to have any hope of achieving our climate and energy policy, we need to ramp up electrification as quickly as possible.

We, therefore, collectively call for clean electrification to become a transversal enabler of the next Strategic Agenda. This enabler can be better supported with an Electrification Action Plan that we call on the European Commission to propose in the first 100 days of its new tenure.

Competitiveness and industry

- Ensuring a fair energy transition that keeps industry in Europe requires affordable energy. It is therefore crucial to prioritise the most mature, efficient and affordable technologies, such as those that directly electrify end-use sectors.
 - Consequently, a robust electricity grid, with flexibility market mechanisms, is key. As electricity grids expand, they not only increase economic stability and competitiveness, but also provide a solid foundation for new businesses to flourish, fostering European innovation and growth.
 - Clean electrification strengthens European industries: Europe is now the leader of heat pump manufacturing and can nurture electrification champions in renewable energy, mobility and smart systems.
 - The shift towards clean electrification spurs innovation in energy technologies and services, including renewable energy generation, battery storage, demand-side flexibility and smart grid technologies.
- ⇒ The EU must ensure incentives and signals guide investments and EU industries towards European cleantech champions.
- ⇒ EU and national authorities should prioritise clean electrification in their funding for research and innovation

Energy security

- Direct electrification is the most efficient and fastest way to decarbonise, it also enables Europeans to connect to more secure and domestic energy sources, making them less dependent on imported energy sources.
 - Electrification equals efficiency. It can reduce energy consumption of transport and buildings by 70% and CO2 emissions from industry by up to 90% by 2050¹.
 - Clean electrification relies on market-ready technologies, hence boosting reliability and security. Europe cannot be bogged down in hypothetical and unproven technological developments.
- ⇒ EU and Member States must prioritise homegrown clean electricity sources as the best solution, available already today to achieve greater control over our energy supply and system.

Resilience and infrastructures, resilient infrastructures

- Robust electricity grids make the EU more resilient for the energy and digital transition, however, investments in our electricity grids have been delayed for too long.
 - Smart electrification makes the energy system flexible, hence resilient. It empowers consumers to optimise their processes and energy consumption in a time-dependent way, thus significantly reducing their energy bills, while reducing cost for the decarbonisation of the energy system.
 - Clean electrification also supports Europe's resilience by deploying solar and wind power systems in a decentralised manner, which contribute to enhancing system reliability and addressing energy needs and access for remote or rural areas.
- ⇒ EU and Member States must double investments in electricity grids at both distribution and transmission levels, ensuring a balanced approach to capital and operational expenditures. This would further integrate renewable energy sources and the EU market.
- ⇒ National and EU authorities must better coordinate and immediately reform the TEN-E Regulation and Ten-Year Network Development Plan processes for both TSOs and DSOs in order to improve infrastructure and system planning.
- ⇒ EU and Member States must couple investments in electricity grids with regulatory mechanisms and price signals to leverage demand-side flexibility and support the smart and efficient operations of grids.

Improving citizens' quality of life

- Increasing clean and smart electrification will allow more consumers to access affordable energy. Renewables are already the cheapest source of energy. For instance, on average, a solar PV system can save households' electricity bills up to €1,250 annually, and up to €1,800 with a heat pump². Clean electrification improves citizens' quality of life both in the short and long run, by drastically cutting pollution and decarbonising our economy.
 - Clean electrification generates jobs that are in high-demand and will be long term, as they contribute to realising the energy transition (Fig.2). Such jobs offer local opportunities for a just transition and are non-relocatable.
- ⇒ Member States must reach a deal on the Energy Taxation Directive and stop favouring fossil fuels over electricity through taxation to accelerate this process.
- ⇒ Empowering consumers to become flexible and to use, produce and store energy at optimal times and benefit from it will also spur ownership of and support to the decarbonization goal.

¹ [EDF Net Zero Scenario: powering carbon neutrality in europe by 2050](#)

² [SolarPower Europe \(2023\): Solar Heat Report - How Solar PV empowers households to turn down fossil gas and save on energy bills](#)

ELECTRIFICATION ALLIANCE

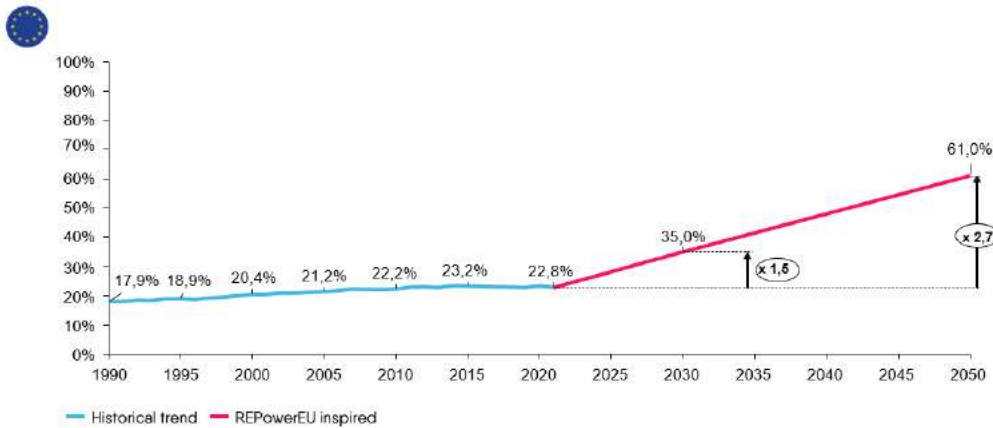
Putting clean electrification at the core of the next Strategic Agenda, with the support of an EU Electrification Action Plan, will send the right signal that investors, companies, public authorities and citizens need. Our ambition is to reach at least 35% by 2030 and 50% by 2040, as set out in our collective manifesto³.

Alliance members



³ [Electrification Alliance's manifesto](#)

Fig.1: electrification rate within final energy uses has been stagnating for decades



Source: Eurelectric *Decarbonisation Speedways*

Fig.2: [Electrifying Europe: how electrification is switching on jobs and skills](#) (Electrification Alliance, 2023)

ELECTRIFYING EUROPE

HOW ELECTRIFICATION IS SWITCHING ON JOBS AND SKILLS

VALUES

- ENTREPRENEURSHIP
- CREATING NEW BUSINESS MARKETS
- INTEGRATING TECHNOLOGIES TOGETHER
- FAST-GROWING INDUSTRY

- NON-RELOCATABLE JOBS
- LOCAL JOBS
- PURPOSEFUL MISSIONS

ELECTRICAL CONTRACTORS

270,000 additional jobs in renovation by 2030¹

400,000 additional jobs in the deployment of rooftop solar PV, battery storage and electric vehicle charging points by 2030²

ELECTRIC VEHICLE PROFESSIONALS

580,000 new jobs in the EU by 2030³

+34% of jobs in growing adjacent markets such as energy production and charging infrastructure⁴

GRID EXPANSIONISTS

500,000 new jobs by 2030⁵

HEAT PUMP TECHNICIANS

ALREADY 161,000 people working in the European heat pump industry today

NEED FOR 500,000 full-time equivalent by 2030⁶

SOLAR SPECIALISTS

1 MILLION additional direct and indirect jobs in the EU solar industry⁷

BY 2050 4 MILLION

people could be employed in solar sector jobs in Europe⁸

WIND WORKERS

Currently, wind employs **300,000** people in the EU

BY 2030, 450,000 people could be employed in the EU wind industry⁹

DIGITAL WIZARDS

Digital skills are transversal skills that are needed everywhere

- https://www.eurelectric.org/wp-content/uploads/2021/05/EuropeOn_Job-Potential-Study-2021_Public.pdf
- https://www.eurelectric.org/wp-content/uploads/2021/05/EuropeOn_Job-Potential-Study-2021_Public.pdf
- <https://www.eurformelectromobility.eu/2021/09/24/our-key-findings-and-recommendations-to-make-the-european-green-deal-an-employment-success/>
- <https://www.eurelectric.org/newsroom/connecting-heads/>
- https://www.ehpa.org/2023/01/26/ehpa_news/worried-half-a-million-heat-pump-installers/
- https://www.eurelectric.org/wp-content/uploads/2022/09/2022_Solar_Power_in_Europe_Report_September_2022_S0250642c.pdf
- <http://www.solarworkplatform.org/>
- <https://www.eurform.org/intelligence-platform/products/wind-energy-and-economic-recovery-in-europe/>

ELECTRIFICATION
ALLIANCE