



Luxembourg and the European Green Deal:

Climate and energy targets in Luxembourg

July 2022
#EUGreenDeal

To fight the climate crisis, the EU's goal is to cut its net greenhouse gas emissions by 55% by 2030. For Luxembourg, this means **reducing emissions by 50% by 2030** in sectors outside the EU Emissions Trading System, compared to 2005. These include emissions from transport, buildings, agriculture and waste.

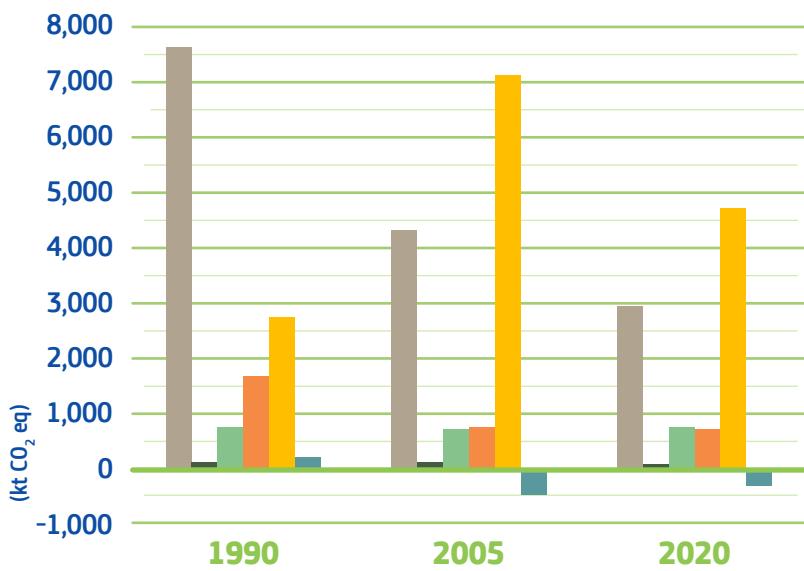
To get there, the European Commission estimates that **at least 25%** of Luxembourg's final energy consumption would need to come from **renewable sources by 2030**.

Equally, with a national energy efficiency target of 40-44% by 2030, Luxembourg is contributing to the proposed EU-wide goals of 41.5% for primary energy consumption and 39% for final energy consumption.



Greenhouse gas emissions in Luxembourg

We're on the right track. Since 1990, Luxembourg has successfully reduced its emissions in several key sectors.



	1990	2005	2020
Energy	7,684	4,364	2,971
Waste	105	105	75
Agriculture	718	648	712
Industrial Processes	1,609	702	630
Transport	2,617	7,187	4,677
Land-based removals	158	-511	-337
Total	12,891	12,496	8,728

Net removals of carbon in soils, forests and bio-based products; depending on the situation in the Member State, there could also be net emissions from the land sector

Source:
<https://unfccc.int/ghg-inventories-annex-i-parties/2022>

Benefits of climate action



As well as limiting the impact of global warming, climate action brings many other benefits:

More than
78%
of Luxembourgers

consider climate change
a serious problem.

- ✓ **It saves lives:** climate action helps improve air quality. Every year 200 Luxembourgers die prematurely due to air pollution. By delivering the European Green Deal, we can cut that number by 50%, saving some 100 lives.
- ✓ **It saves money:** improving energy efficiency, insulating homes and installing renewable energy lowers energy bills.
- ✓ **It protects nature:** restoring natural landscapes to capture carbon is great for biodiversity.
- ✓ **It strengthens energy independence:** more renewable energy means less dependence on oil and gas imports.
- ✓ **It boosts innovation:** the climate transition creates a powerful incentive to develop climate-friendly technologies, boosting growth and creating jobs.

Climate action is worth it, and Luxembourgers know it. The majority (60%) believe national governments are responsible for tackling climate change, while over 7 in 10 (73%) have taken action themselves.

83%
of Luxembourgers
believe the damage due to
climate change is higher
than the investment needed
for a green transition.

Financing Luxembourg's green transition

Various European funding sources are available to support Luxembourg's green transition.



EU budget sources

Just Transition Fund

€9.3 million
(2021-2027)

Cohesion Policy Funds (ERDF, ESF+, Cohesion)

€9.9 million
(2021-2027)

Recovery and Resilience Fund

€93 million (in grants)
(2021-2026)

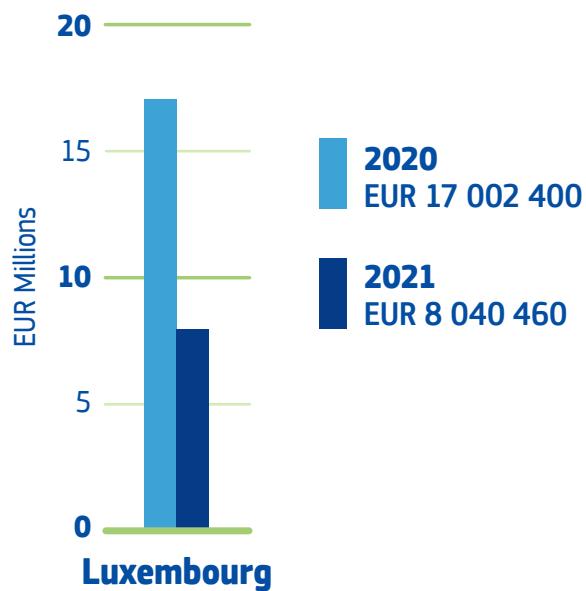
Social Climate Fund*

€73 million
(2025-2032)

* The Social Climate Fund was proposed by the Commission in July 2021 and will accompany the new Emissions Trading System (ETS) for road transport and buildings. The fund will help vulnerable households and micro-enterprises invest in clean heating, electric driving, solar panels, and more.



Revenues from the Emissions Trading System



Revenues from the sales of emission allowances largely stay with the national government. In addition, some ETS revenues flow into the European Innovation Fund, which seeks to incentivise investment in the next generation of low-carbon technologies.

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