

NEWS FROM BRUSSELS 36/2021

CLEPA: Supply chain disruptions perceived as largest risk factor for automotive supply industry

In the 10th edition of the CLEPA Pulse Check, results show that reduced volumes, mainly driven by semiconductor supply shortages, raw material price increases, and a rapid technology transformation are putting considerable pressure on automotive suppliers. Out of those surveyed, only 27% show a positive outlook for the industry, however, this is up from just 8% one year ago at the outset of the COVID-19 pandemic. Yet 73% still hold a notably negative view, which is considerably higher than pre-pandemic times. Volumes are not predicted to recover during the first part of 2022, and it's still unclear if they will recover in the second half of next year, and thus profitability projections for 2021 are not expected to be met: <https://clepa.eu/mediaroom/supply-chain-disruptions-clearly-perceived-as-largest-risk-factor-for-automotive-supply-industry/>

State of the Energy Union 2021: Renewables overtake fossil fuels as the EU's main power source

The European Commission adopted its State of the Energy Union Reports for 2021, taking stock of the progress that the EU is making in delivering the clean energy transition, nearly two years after the launch of the European Green Deal. While there are a number of encouraging trends, greater efforts will be required to reach the 2030 goal of cutting net emissions by at least 55% and achieving climate neutrality by 2050, and the data will need to be analysed carefully next year for more long-term post-COVID trends. The report shows that renewables overtook fossil fuels as the number one power source in the EU for the first time in 2020, generating 38% of electricity, compared to 37% for fossil fuels:

https://ec.europa.eu/commission/presscorner/detail/en/ip_21_5554

Progress reports show 2020 emissions down 31% from 1990, 76% of ETS revenues used for green transition

The European Commission recently adopted three reports on the progress of EU climate policies in 2020: the EU Climate Action Progress Report, the Carbon Market Report and the Fuel Quality Report. The EU Climate Action Progress Report shows that compared to 2019, EU27 greenhouse gas emissions in 2020 fell by almost 10%, an unprecedented drop in emissions due to the COVID-19 pandemic, which brought overall emission reductions to 31% compared to 1990, which is the reference for the EU's long-term climate goals. This means that the EU has substantially exceeded its target under the UNFCCC Kyoto Protocol of reducing emissions by 20% by 2020 compared to 1990. The data for this year is clearly unique due to the global economic slowdown, and a better analysis of the long-term trajectory will be possible next year:

https://ec.europa.eu/commission/presscorner/detail/en/ip_21_5555