

Electrification Could Save Europe €250 Billion Per Year

- According to Schneider Electric's latest report, the EU currently spends €380 billion annually on energy imports, with nearly 60% of its energy supply sourced from abroad.
- Accelerated electrification and prosumer initiatives could create up to 1 million new jobs in local industries.
- The EU's rooftop solar potential is estimated at over 1,000 GW, 10 times the current installed capacity.

Copenhagen, Denmark, 22 October, 2025 – [Schneider Electric](#), a global energy technology leader, today launches a new research report highlighting the role electrification must play in Europe's future.

Currently the electrification rate in Europe is just 21%, a figure that hasn't changed in the last decade and is 10% behind China where rapid electrification is taking place. At the same time, the cost of residential energy use in the EU is 0.27 Euro per kWh. In the US, that figure is 0.15, and China comes in at 0.08 Euro per kWh. This puts the price of everyday activity for every EU citizen three times higher than that of those in China.

The report "[Europe energy security and competitiveness – supercharging electrification](#)" reveals Europe could save €250 billion per year by 2040 through accelerated electrification. The energy trilemma, balancing affordability, security and sustainability, persists with high dependency on fossil fuels imports keeping costs high and sustainability targets at a distance. That said, emissions in the EU have dropped 37% since 1990 levels.

With electrification the solution to the energy trilemma, the [research](#) notes the pace and progress of electrification in Europe varies significantly from country to country. This is due to differences in infrastructure, policy, market maturity, and consumer adoption. Some nations, such as the Nordics, have made notable advances in sectors like transport and buildings, while others are just beginning to scale up their efforts. Southern European countries often show higher rates of building electrification, whereas Western and Central Europe are seeing increased investment in industrial electrification and prosumer initiatives. For Europe to remain competitive on the international stage, the continent needs to speed up progress to a more electrified world.

The report identifies several critical policy levers that must be pulled. First, policymakers must reduce the price gap between electricity and natural gas by phasing out fossil fuel subsidies and reforming energy taxation to incentivize clean energy use.

Accelerating financing is equally vital, including streamlining access to investment, offering targeted incentives (especially for SMEs), and directing emission trading schemes revenues and innovation funds toward electrification projects.

The report also highlights the importance of creating robust local markets which includes mandating electrification in new buildings and industrial processes, supporting rapid deployment of heat pumps and electric vehicles, and fostering prosumer initiatives.

Finally, fostering local development through sustainable public procurement, fast-tracking standardization, and prioritizing support for European innovation and manufacturing will ensure that the economic and employment gains of electrification are realized across the continent.

Commenting on the research, **Laurent Bataille, Executive Vice President, Europe Operations at Schneider Electric** said, “This landmark research provides one of the most comprehensive analyses to date of Europe’s electrification potential and the policy actions needed to realize it. It underscores that electrification is vital—not only for achieving our climate ambitions, but for driving economic growth, energy independence, and industrial competitiveness. Europe must break free from electrification stagnation urgently. The technology is here, ready to deploy. Now, policy must incentivize and businesses must drive implementation to unlock the economic and environmental gains we need to see today.”

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Editor’s note: Please direct all media inquiries to global.pr@se.com.

About Schneider Electric

Schneider Electric is a global energy technology leader, driving efficiency and sustainability by electrifying, automating, and digitalizing industries, businesses, and homes. Its technologies enable buildings, data centers, factories, infrastructure, and grids to operate as open, interconnected ecosystems, enhancing performance, resilience, and sustainability. The portfolio includes intelligent devices, software-defined architectures, AI-powered systems, digital services, and expert advisory. With 160,000 employees and 1 million partners more than 100 countries, Schneider Electric is consistently ranked among the world’s most sustainable companies.

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