

Sustainable Development, Renewable Energy Transformation and Employment Impact in the EU¹

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Abstract

A successful transition towards renewable energy systems in the European Union is expected to improve growth, reduce greenhouse gas emissions and create employment. Analysing recent data from 28 European Union (EU) countries, we investigate the potential interlinkages in employment, renewable energy and non-renewable energy amongst the EU countries. We further examine assess the contributions of renewable energy and non-renewable energy to the future variation in employment, output and carbon emissions within the EU. Our results suggest that renewable energy has a positive and significant net employment impact for EU. We further find that renewable energy consumption contributes substantially to the future variability in employment both for the short and the medium term. Also, carbon-dioxide emissions negatively impact the employment level in the EU.

Keywords: Employment, Renewable Energy, Non-Renewable Energy, EU

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