



*Climate Action Network (CAN) Europe is Europe's leading NGO coalition fighting dangerous climate change. With 200 member organisations active in 40 European countries, representing over 1,700 NGOs and more than 40 million citizens, CAN Europe promotes sustainable climate, energy and development policies throughout Europe.*

22 June 2026

## **CAN Europe Calls on Environment Ministers to preserve a robust ETS within a strong post-2030 framework**

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**To: Environment and Climate Ministers of the EU Member States**

Dear Environment and Climate Ministers,

The future of the European climate policy framework will be decided in the next few months. Not only is the EU's credibility at stake, but also its contribution to driving global climate action. Maintaining a predictable and reliable policy approach is critical for public institutions and businesses decisions on long-term investments that are aligned with the challenges of the 21st century. Decisions to weaken the EU's climate policy approach also risk putting in jeopardy innovative and forward-looking solutions and investments at the scale of billions of euros.

For the EU, the fastest-warming continent in the world, it is evident that urgently ramping up climate action to continue and strengthen the trajectory that has been initiated through the European Green Deal also in the post-2030 period is not only a climate imperative, but also a strategic investment to avoid massive economic and financial costs in the future, on the top of increasingly adverse impacts on public health, and avoidable deaths. Acting timely and decisively on climate change will bring a wide range of benefits: [by increasing its ambition, the EU could gain at least €1 trillion already by 2030](#), while strengthening energy security and economic resilience which are currently undermined in particular by fossil fuel dependence.

In light of the upcoming legislative discussions on the **post-2030 climate policy architecture**, CAN Europe shares with you our [new position paper](#) which sets out key parameters needed. These include:

- Binding national targets which ensure separation and no flexibility between emission reductions, biogenic removals, and permanent removals, with robust compliance mechanisms;
- No integration of international carbon credits into the EU climate policy framework;
- No weakening of the EU ETS; strengthening of the Social Climate Fund;
- A non-CO2 EU level target for the agriculture sector accompanied by appropriate implementation support and incentive system;
- Policy design accounting for potential social impacts and diverse realities across Europe.

We look forward to engaging with you and your administrations on our proposals in relation to the upcoming policy debates.

Ahead of 15 July, our specific focus is on the ETS review. For Climate Action Network (CAN) Europe, **the EU Emissions Trading System (ETS) must remain the cornerstone of EU climate and industrial policy** also for the period post-2030 and towards achieving the new 2040 target. This is not only a climate imperative, but a matter of economic resilience and energy security. Europe still spends nearly €400 billion each year on fossil fuel imports, exposing its economy to geopolitical risks, price volatility and supply disruptions. Recent events have once again shown how quickly these vulnerabilities translate into real economic costs.

Reducing this dependence requires accelerating the transition to clean, domestic energy and industrial transformation. A strong and credible carbon pricing mechanism is central to this effort. From 2026 to 2030, it is expected to generate between €120 and €150 billion in revenues, offering a unique opportunity to finance Europe's industrial transformation, invest in clean technologies and infrastructure, and support households and workers through the transition.

At a time of intensifying global competition for the clean industry, weakening the ETS would undermine investment certainty and risk pushing clean industrial projects outside the EU. The upcoming ETS review is therefore a critical moment to strengthen and not dilute the system, ensuring it delivers rapid decarbonisation while supporting prosperity and resilience.

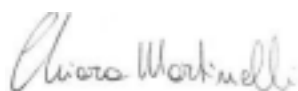
CAN Europe's priorities for the next review are the following. For further details, see [CAN Europe's position paper focusing on the ETS review post-2030](#).

- The current cap trajectory and linear reduction factor should be preserved at least until 2036. Discussions about additional flexibility should concern only the period thereafter, when limited liquidity risks might need to be addressed.
- The phase-out of free allocations must continue. Conditionalities attached to any remaining free allocations should be strengthened in order to force additional investments in industrial transformation and deep emission cuts.
- Third, ETS revenues must be used strategically. This means investing in clean industrial technologies, infrastructure and deployment of renewables, while also helping households and workers cope with the costs of the transition, both within Europe and internationally.
- The integrity of the ETS must be protected. Carbon removals and international credit should remain outside the system. Introducing them into the ETS would weaken the carbon price, reduce incentives for real emission cuts in European industry and risk undermining confidence in the system.

We are concerned that misguided weakening of the ETS might lead to the release of additional billions of tonnes of CO<sub>2</sub>e into the atmosphere over the next decade, further increasing the costs of the unfolding climate crisis for European citizens and institutions, and overall globally. We urge you to bring your weight to the discussion and ensure the functioning of the ETS as a climate integer policy.

Counting on you to take the above calls into due account, we remain at your disposal to further discuss how to deliver an inclusive and sustainable transition in Europe and the rest of the world.

Yours sincerely,



Chiara Martinelli, Director, Climate Action Network Europe