Brussels, 20 March 2024



Dear Minister of Environment/Climate,

We are writing to you ahead of the Environment Council and the Climate High Level event on the 25th and 26th of March, in relation to national and EU climate action towards and post 2030.

With current global warming getting closer to the safer threshold of 1.5° C, the window of opportunity to avoid the most dangerous climate change is rapidly closing. While delaying climate action will imply dramatic costs for society and the economy, as recently highlighted by the European Climate Risk Assessment (EUCRA), acting timely and decisively will bring a wide range of benefits; research shows that following an ambitious decarbonisation pathway aligned with the 1.5° C temperature goal, the EU could gain at least $\in 1$ trillion already by 2030^{1} . In this context, the outcome of COP28 clearly signals that the direction of travel is moving away from fossil fuels. It is now crucial that the EU and its Member States translate this commitment into national targets and measures aligned with science that deliver on the 1.5° C temperature goal in an equitable manner².

In order to align with the Paris Agreement 1.5°C temperature goal and equity, **the EU should adopt immediate urgent actions additional to the Fit for 55 agreements** and move substantially beyond the inadequate -55-57% net EU emission reductions target for 2030, to achieve at least -76% net emission reductions by 2030, based on -65% gross emission reductions, compared to 1990 levels.

EU Member States need to step up their national action towards 2030 in their NECPs. The emissions reduction and energy transition trajectories currently in the updated draft NECPs are neither in line with the Paris Agreement, nor, in several cases, even enough to meet the same EU's 2030 climate and energy targets, as highlighted by both NGOs³ and the European Commission assessments. Targets must be backed up by adequate additional measures and financing plans, to be clearly outlined in the new NECPs which represent strategic planning tools to guide the decarbonisation path and provide investment clarity.

Adopting an ambitious, science-based 2040 climate target is critical for the EU to demonstrate actual responsibility and leadership in the fight against climate change. The -90% net target proposed by the Commission in its Communication lags behind the ambition level recommended by both the Commission's own Impact Assessment and the European Scientific Advisory Board on Climate Change (ESABCC), which indicate that higher ambition levels are most beneficial and better reflect equity principles. To align with the 1.5°C temperature limit and equity, the EU should achieve domestic net zero greenhouse gas emissions by 2040 at the latest, based on at least -92% gross

https://1point5.caneurope.org/wp-content/uploads/2023/10/NECPs Assessment-Report October2023.pdf CAN Europe & The Together For 1.5 project. NECP tracker. Available at: https://1point5.caneurope.org/necps-tracker/

¹ CAN Europe & The Together For 1.5 project (2024). Paris Pact Payoff: Speeding up the green transition for socio-economic co-benefits.

https://caneurope.org/content/uploads/2024/01/CAN-Europe-co-benefits-of-climate-action REPORT.pdf

² CAN Europe's position on EU climate targets and an equitable greenhouse gas emission budget for the EU <u>https://caneurope.org/content/uploads/2023/06/2024.02.02-Updated-Position-Paper-on-EU-climate-targets-and-e</u> <u>quitable-GHG-budget.pdf</u>

<u>quitable-GHG-budget.pdf</u> ³ CAN Europe & The Together For 1.5 project (2023). Time to step up national climate action. An assessment of the draft National Energy and Climate Plans updates.

emission reductions, compared to 1990 levels. This should be achieved by establishing three separate and distinct targets and policies for gross greenhouse gas emissions reduction, net carbon dioxide sequestration in the land use (LULUCF) sector and industrial carbon dioxide removals.

In the pursuit of achieving net zero by 2040, the EU needs to accelerate the deployment of existing solutions, instead of relying on costly and unproven technologies. The EU needs to develop plans to phase-out coal by 2030, fossil gas by 2035 and oil by 2040. Simultaneously, the deployment of renewable energy needs to be accelerated to reach a fully renewables based energy system by 2040, with a primary focus on wind and solar. Efforts to curtail energy and material demand should be expanded and greater recognition given to the role of restoring nature to remove carbon. This means using already available techniques to reduce energy and material demand, instead of relying on expensive, unproven at scale and fossil-fuels based techno-solutions, such as carbon capture and storage (CCS, CCU). The EU must not bet on a revival of nuclear energy as this technology is too slow, too expensive and particularly exposed to risks from extreme weather events.

Public and private financial flows need to fully align with the transition, notably through: a full phase out of fossil fuel subsidies both in the EU and national budgets⁴; ensuring an ambitious mobilisation of both EU funds and national budgets as well as a fit-for-purpose post-NGEU EU budget to fill the "climate investment gap" in respective Member States⁵; and a better targeting of public finance by channelling funds for the socially just transformation of European societies⁶.

The EU should also establish a 2035 target, to align with the UNFCCC 5-year common time frames and article 4.7 of the European Climate Law. The amendment proposal to the European Climate Law from the upcoming Commission should therefore include EU climate targets for both 2035 and 2040. CAN Europe calls for an EU 2035 climate target and NDC of between at least -90-94% net emission reductions by 2035, based on between at least -78-82% gross emission reductions, compared to 1990 levels.

To fulfil its fair share in light of historical responsibility and capacity to act, the EU should deliver significant additional support to enable mitigation in Global South countries, as also recommended by the ESABCC. This additional support should not undermine domestic ambition and should not divert resources from adaptation and loss and damage climate finance obligations.

Being confident that you will take these urgent calls into due account, we count on you to secure the protection of our planet and the well-being of people in Europe and the rest of the world. We remain at your disposal to further discuss how to deliver an inclusive and sustainable transition in Europe.

Yours sincerely,

Rivoro Martinelli

Chiara Martinelli Director, Climate Action Network Europe

⁴ CAN Europe (2023). Fossil fuel subsidies in the EU.

https://caneurope.org/content/uploads/2023/03/Fossil-Fuels-Subsidies-Report.pdf

⁵ CAN Europe (2022). The contribution of EU funds to ambitious National Energy and Climate Plans. Unify project.

https://caneurope.org/content/uploads/2022/08/Final-report_UNIFY_EU-FUNDS.pdf

⁶ CAN Europe & Cambridge Institute for Sustainability Leadership (2022). How to maximise the social benefits of climate action. <u>https://caneurope.org/content/uploads/2022/05/01_The-social-benefits-of-climate-action_12.pdf</u>