

Statement from the Coalition for Higher Ambition urging to agree on an ambitious EU 2040 domestic emissions reduction target and NDC

To: Prime Minister Mette Frederiksen, current EU Presidency

President of the European Parliament, Roberta Metsola

Environment and Climate Ministers of the EU Member States

European Parliament Political Groups leaders

Members of the EP Environment Committee

Ahead of the September ENVI Council (18th) and ENVI Committee vote (23rd), we, as members of the **Coalition for Higher Ambition**, ask you to act and support a 2040 net *domestic* emission reduction target of *at least* 90% and an ambitious Nationally Determined Contribution (NDC).

This summer's record heatwaves and devastating wildfires that Europe has been witnessing are yet another reminder of the immense costs of the climate crisis, and of the imperative for the EU to act urgently and decisively in line with its responsibilities as a historic emitter and affluent region. While delaying climate action will imply dramatic costs for society and the economy, undertaking an accelerated, ambitious and just green transition will bring a wide range of benefits. These include enabling the creation of jobs and economic opportunities, improving people's health and well-being, combatting poverty and ensuring social protection, safeguarding natural resources, achieving the Union's energy security, increasing competitiveness and resilience, and strengthening the EU's role as a global frontrunner.

As an alliance of European business, major city networks and regional governments and civil society organisations, who are key actors in driving ambitious climate action and implementing policies on the ground, **we urge you to agree on ambitious and science-aligned amendments to the European Climate Law**. These should reflect a science-based EU 2040 climate target that is aligned with the recommendations of the European Scientific Advisory Board on Climate Change of **at least 90% net domestic emission reductions by 2040** (relative to 1990 levels). In line with that, we call for a **2035 NDC target no lower than at least 72.5%¹ net domestic emission reductions**. Some members of the Coalition, in line with what was highlighted by the latest IPCC synthesis report and the UN Secretary General António Guterres,

¹This value is derived from a linear decarbonisation pathway linking the EU 2030 55% net emission reductions target and a 2040 90% net emission reduction target.

support efforts for the EU achieving domestic net zero emissions by 2040 at the latest and a higher 2035 target of at least 94% net domestic emission reductions².

Full implementation of the European Green Deal, preferably leading to overachievement of the EU 2030 climate target, will be critical to this pathway, also as a matter of credibility and reliability on EU policy decisions. An ambitious and stable EU framework is essential to empower local authorities and businesses to go further and faster. Cities, regions and forward-looking companies are already investing in decarbonisation and resilience, but their efforts require long-term certainty and coherent EU policies that reinforce market signals, unlock investment, and ensure that ambition at all levels works in synergy.

Considering the European Climate Law amendment texts currently under discussions, we would like to also highlight the following points:

- The proposed **integration of international carbon credits** (Article 6 of the Paris Agreement) within the 2040 climate target would undermine the ambition and environmental integrity of the EU contribution, and would only delay and increase the costs of the transition of the EU economy, weakening investment certainty within the EU and competitiveness, with far-reaching financial implications for the EU and Member States. These financial risks would even be exacerbated if Article 6 credits were to be integrated into the EU Emissions Trading System (ETS). So while we resist the inclusion of credits in the EU target, **we stress the importance of not integrating them into the ETS in particular.**
- **Allowing more flexibility for Member States to meet sectoral targets must not weaken incentives for mid-term progress in key sectors** like transport, buildings, or agriculture, in order to not undermine the core logic of economy-wide and structural decarbonisation. This would risk the achievement of the long-term climate neutrality goal and making long-term planning more difficult for EU businesses. National-level binding targets must continue to play a key role.
- Regarding the possible **integration of permanent carbon dioxide removals (CDR) within the ETS, we call for a proper impact assessment which also considers options to finance CDR without direct integration into the ETS.** Including CDR in the ETS risks turning it into an offsetting mechanism rather than a tool for real emission cuts.
- The **Energy Efficiency First (EE1st) principle** is a guiding principle for energy-related decisions and underpins the Energy Union; it should be **maintained within the European Climate Law.** We welcome its reintegration into the latest Danish Presidency text proposal.

We are confident that you will take this urgent call into due account and 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 ways on how to deliver together an inclusive and sustainable climate transition in Europe.

²<https://caneurope.org/content/uploads/2024/02/2024.09.24-Updated-Position-Paper-on-EU-climate-targets-and-equitable-GHG-budget.docx.pdf>

SIGNATORIES

Bellona Europa

C40 Cities

Climate Action Network Europe

Climate KIC

CLG Europe

EKOenergy ecolabel

Eurocities

European Council for an Energy Efficient
Economy

European Environmental Bureau

European Heat Pump Association

European Industrial Insulation Foundation

ICLEI Europe

Naturefriends International

RECS Energy Certificate Association

Solar Heat Europe