

BLOG POST February 8th 2024

EU's 2040 climate target: a framework to keep on track

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 Reading time: 5 min

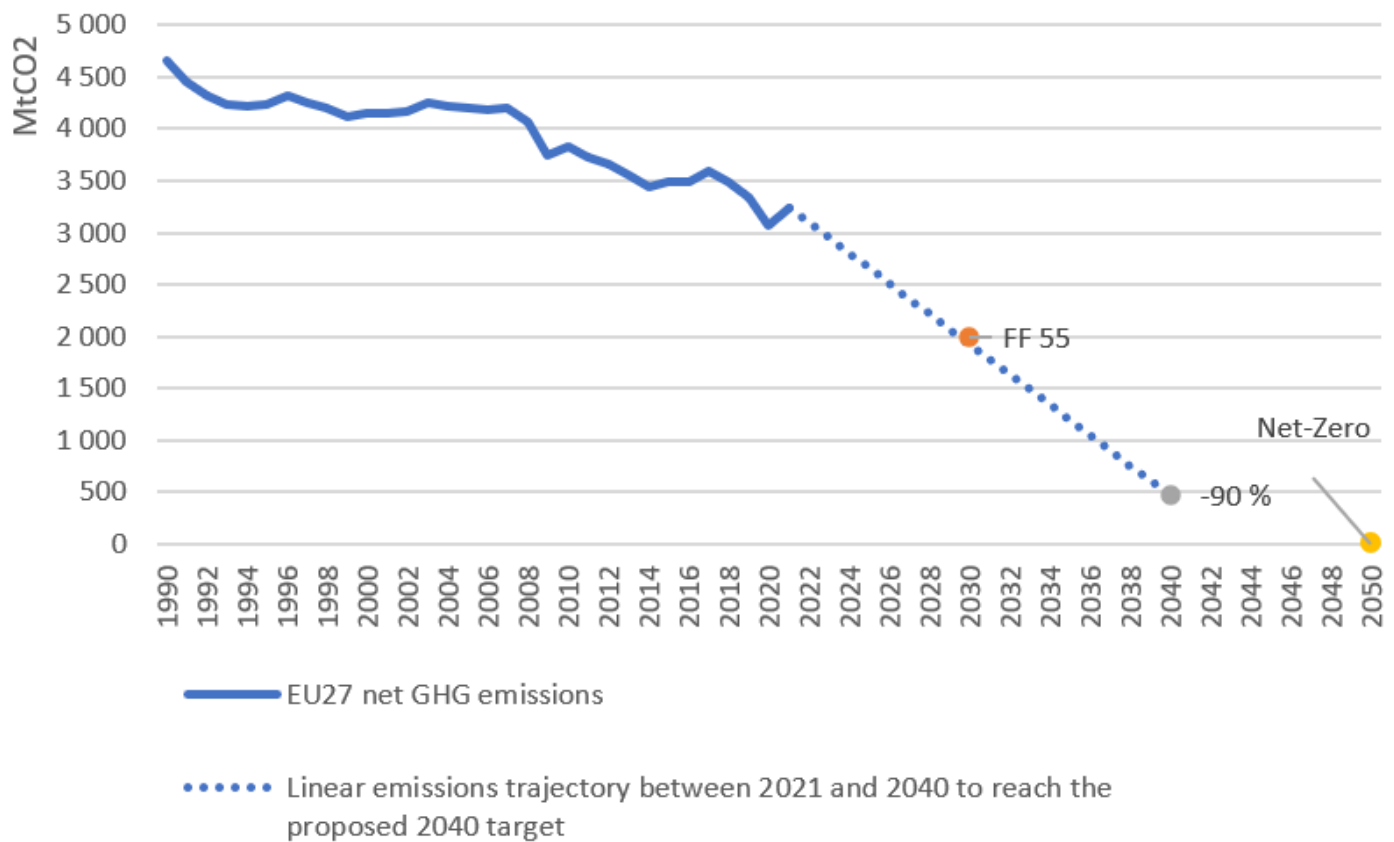
This week, the European Commission presented its proposal for a 2040 climate target for the European Union. Long-awaited, its publication is an important signal for securing the economic transformation to which the EU is committed, and reinforcing the credibility of its climate ambitions vis-à-vis its external partners. Rather than focusing on the level of ambition of the proposed target, which follows scientific recommendations for tackling the climate crisis and is aligned with the targets already endorsed for 2030 and 2050, this proposal should lead to focus on the conditions for implementation to accelerate the low-carbon transition in all sectors of European companies.

An expected and necessary signal

The target proposal presented by the European Commission (EC) is anything but a surprise. Expected and prepared for many months, it was planned by the [European Climate Law](#), adopted in 2021 as part of the Green Deal, for publication within six months of the [first Global Stocktake completed at COP28 in Dubai last December](#). It provides the basis for the political debate needed at European and international level. On the European level, it will enhance predictability for economic players by initiating the definition of the post-2030 regulatory framework, and by confirming the trajectory initiated with the Paris Climate Agreement, which is crucial for investment decisions taken today. On the external front, it aims to help the EU define its contribution to global efforts to mitigate climate change: the next update of nationally determined contributions (NDCs) is indeed due before COP30 in Belém (Brazil) in 2025, and will focus on countries' post-2030 commitments.

This long-awaited proposal is therefore a necessary step that reaffirms Europeans' commitment to a development pathway consistent with the fight against climate change. Another important signal is that, by proposing a target of -90% net greenhouse gas emissions reduction, the Commission's communication makes explicit reference to the work of the [European Scientific Committee on Climate Change](#), an institution also created by the 2021 Climate Law, which recommended back in July 2023 the adoption of a target of -90 to -95% GHG emissions. The EU is thus demonstrating its ability to align with scientific recommendations in order to organise the necessary political debates on how to deal with environmental crises. This target, which may seem impressive at first glance, should be compared with the 30% net emissions reduction already achieved by the EU between 1990 and 2021, and with the acceleration in emissions reductions needed to reach the 2030 target set out in the recently adopted Fit for 55 package. Reaching -90% net emissions by 2040 means extending the pace of transformation needed to reach the 2030 target into the following decade. The Commission's analysis underlines this by indicating that extending the level of ambition of the European 2030 framework over the period 2030-2040 would already make it possible to achieve a -88% reduction by 2040.

Figure 1. Historical EU27 emissions, 2030 and 2050 climate targets and the European Commission's proposed 2040 target



Source: IDDRI, based on European Environment Agency and European Commission

A framework for debate that reiterates the need to accelerate the transition now

Secondly, this communication provides a recommendation on the objective and does not propose any new additional regulatory or financial measures, which are, rightly so, assigned to the next European Commission following next June elections.

However, the communication and the accompanying impact assessment provide important elements for the European debate, particularly as criticism of the ecological transition and its consequences is rising. They show the benefits for the EU of pursuing a strategy of deep decarbonization of society, beyond the reduction of the economic costs of climate damage. Keeping on track would enable Europeans to regain significant room for manoeuvre by halving dependence on energy imports by 2040, thereby reducing the European economy's vulnerability to shocks from volatile fossil fuel markets. The EC's documents also quantify the substantial gains in terms of air quality, ecosystem protection and reduced costs for healthcare systems.

It is therefore critical to focus the debate not so much on the level of the proposed 2040 climate target, but rather on the conditions and means required to accelerate now the transition in all sectors of activity in Europe. However, this acceleration is not yet guaranteed, as highlighted by the [preliminary analysis of national energy-climate plans](#) and the

[analysis of the European Environment Agency.](#)

Identifying key issues and building a dialogue method

Another contribution of the Commission's communication is to recall the progress made since 2019. Across all economic sectors, it builds on the achievements of the Green Deal to identify key challenges, bottlenecks and debates, without anticipating responses at this stage. Two cross-cutting conditions for success are highlighted as decisive in all sectors: ensuring the conditions for sustainable competitiveness for the European economy, and undertaking approaches and reforms in support of a just transition. These conditions place economic players and citizens at the heart of the actions to be taken, and underline the importance of accompanying change, the need to build jobs and skills, and the redistributive issues of transition policies: crucial conditions for accelerating, but also strengthening political support for the ecological transition, and important reference points for defining action priorities for the next European cycle.

Final note on a method for organising the debate that is proposed. By the Commission, with the idea of extending the approach of the strategic dialogues on industry and agriculture launched at the end of 2023, for which a first progress report is scheduled for April. This method of dialogue has yet to be developed, however, and would benefit from clarification in terms of both its scope and organisation. Will it be an ad hoc forum to prepare the next Commission's agenda and the post-2030 regulatory framework? Or a permanent structure to inform EU decision-making? On subjects that necessarily raise essential questions for the European project, including that of the right distribution of roles between the European level and Member States, deliberation is needed that is sufficiently inclusive and without blind spots to provide material for the political decisions that will follow in order to speed up the transition, including in [sectors where it seems blocked today](#).

Inherited from the Commission which is coming to the end of its mandate, this proposal is only the starting point of a debate which will continue to animate the EU in the coming months, that of the follow-up to be given to the Green Deal, starting with the campaign for the European elections next June and the definition of the working agenda of the future Commission. IDDRI will continue to take part in this debate, [analysing national debates](#), thus providing a contribution to a progress report on the Green Deal, and carrying out its activities on different sectors (energy, biodiversity, agriculture, etc.).

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