



# 2040 climate target

The Communication on Europe's 2040 climate target

SB60 – GST Dialogue

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# The European Climate Law is the legal base for the 2040 target - which in turn will inform the EU NDC

- The **European Climate Law Regulation** of 30 June 2021 is a landmark legislation for the EU
- It sets our **Union-wide climate-neutrality** objective 2050 (Article 2)
- It defines and requests Interim targets (Article 4)
  - 4.1.: 2030 target of at least **55% net greenhouse gas emissions** reduction
  - 4.3.: "With a view to achieving the climate-neutrality objective set out in Article 2(1) of this Regulation, a **Union-wide climate target for 2040** shall be set. To that end, at the latest within **six months of the first global stocktake** referred to in Article 14 of the Paris Agreement, (...) **taking into account** the conclusions of the assessments referred to in Articles 6 and 7 of this Regulation and the **outcomes of the global stocktake**"
  - 4.4.: Publish an **indicative greenhouse gas budget for 2030-2050**, based on best available science and the advice of the ESABCC
- Following the law, the European Commission published the **2040 target communication in February**, which launched an EU wide debate that will **conclude in the legislative proposal** presented by the new European Commission
- This will inform the **next NDC of the EU**

# -90% net GHG compared to 1990 is at the higher end of the options presented in the Impact Assessment

## GHG budget and annual reduction of GHG emissions of each target option

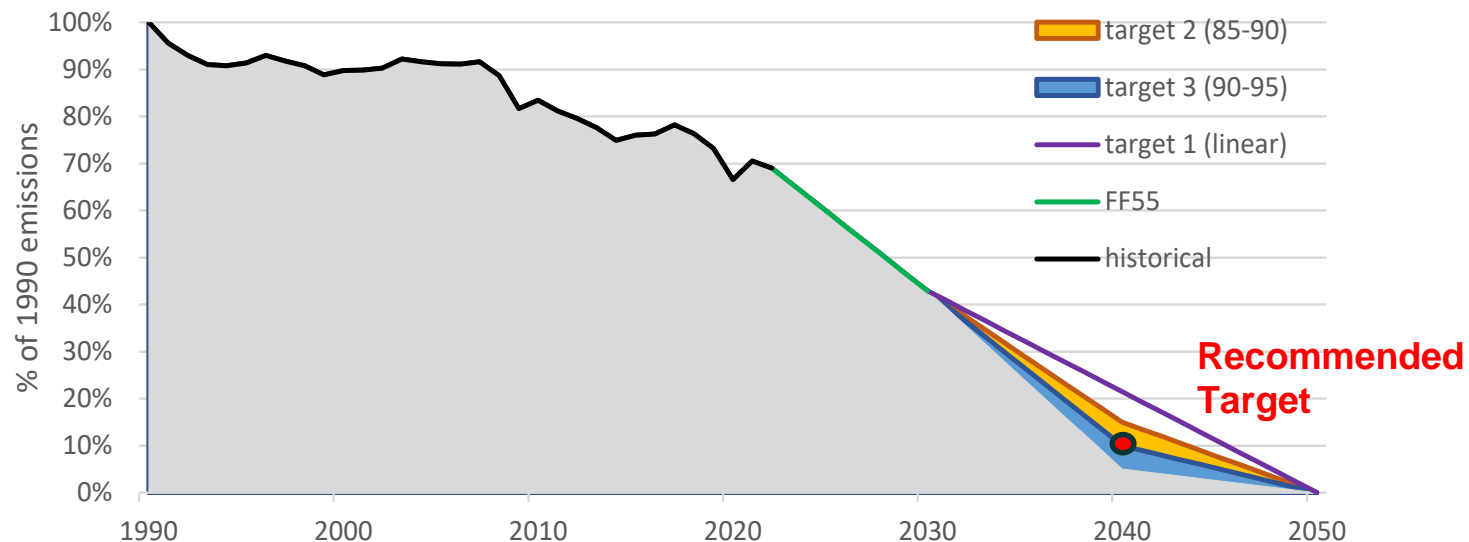
Target	GHG budget 2030-2050 (Gt CO <sub>2</sub> -eq)	Yearly reductions (% vs 1990 levels)				
		1991-2010	2011-2030	2021-2030	2031-2040	2041-2050
Target level below 75%	More than 23	-0.9%	-2.0%	-2.8%	-1.8%	-2.5%
Target Option 1 (linear, 78%)	21				-2.2%	-2.2%
Target Option 2 (at least 85%)	Up to 18				-2.8%	-1.5%
Target Option 3 (at least 90%)	Up to 16				-3.3%	-1.0%

IA Main document (Part 1/5), Table 3



Three options assessed in the Impact Assessment, **annual GHG reduction in 2030 decade** shows that **-90% leads to significant frontloading** of mitigation action

## Profile of the net GHG emissions over 1990-2050



IA Main document (Part 1/5), Figure 4



Remaining **“gross” GHG emissions less than 850 Mt CO<sub>2</sub>-eq** and **Carbon removals (land based and industrial) reach up to 400 Mt CO<sub>2</sub>**

# Key implications of the recommended 2040 target

- We are **fighting climate change** and aim to **avoid the costs of inaction** as much as possible
- In the EU, **220 000 deaths** and **€650 billion in economic losses** due to climate change from 1980-2022, of which **€170 billion in last 5 years**
- It gives the **necessary strategic guidance** that **all stakeholders** need to do their part, e.g. the **transformation in the private sector**
- **Energy system costs** are **similar** across options considered in **2031-2040**
- **Cost of fossil fuel imports falls significantly** (from 4.1% of GDP in 2022 and 2.4% in 2023, to less than 1.4% of GDP in 2040, 0.6% last decade) – EUR 2.8 trillion saving over 2031-2050
- Benefits such as **cleaner air, better health, higher biodiversity, energy security**

# Thank you



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