

Statement from the Coalition for Higher Ambition urging to support a robust and ambitious EU post-2030 climate and energy framework

Ahead of the 12th October Environment Council and the 29th October Energy Council meetings

To: Taoiseach Micheál Martin, current EU Presidency

Environment, Climate and Energy Ministers of the EU Member States

This summer yet again, record heatwaves, drought and devastating wildfires in Europe have been a stark reminder of the immense costs of the climate crisis to citizens and companies. Strengthening the trajectory 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 top of increasingly adverse impacts on public health including avoidable deaths. Still, the current deregulation agenda ignores this reality and goes in the wrong direction, watering down climate and environmental policy. On the contrary, a well-designed, rapid, ambitious and just transition built on energy efficiency, renewables, and renewables-based electrification is a baseline condition for Europe's competitiveness, resilience and energy security. Creating jobs and economic opportunities, it will also reduce Europe's exposure to volatile fossil fuel prices, bring down and stabilise energy bills, improve people's health and well-being, combat poverty and ensure social protection, strengthening the EU's role as a global frontrunner.

As members of the Coalition for Higher Ambition, an alliance of European businesses, leading local and regional government networks, and civil society organisations, who are key actors in driving ambitious climate action and implementing policies on the ground, we urge you to support a robust and ambitious EU post-2030 climate and energy framework:

- **The framework must be aligned with and able to deliver on at least 90% net domestic emission reductions by 2040** (compared to 1990 levels). A less ambitious policy framework [would not be aligned with science](#), and would entail significant risks of not delivering on the binding EU 2040 target of 90% emission reductions, by relying on international credits of uncertain integrity and availability.
- **The EU ETS must deliver real and predictable emissions reductions.** The Commission's proposal would increase the cumulative ETS emissions budget by [around 67%, or 2 billion tonnes of additional emissions](#), risking oversupply and a weaker carbon price signal. The Linear Reduction Factor (LRF) should maintain an ambitious cap trajectory, to preserve a strong and predictable carbon price signal. Industrial support must drive genuine decarbonisation, with strong investment conditionality and clawbacks ensuring companies also deliver on their commitments. The proposed flexibilities through international credits risk weakening incentives to cut emissions at source and shifting costs onto public budgets. Some signatories of this letter suggest that any unused allowances to purchase permanent carbon removals should be cancelled to avoid an increase in ETS net emissions. ETS revenues

should prioritise energy efficiency, renewables, electrification, and the just transition, including support for vulnerable households.

- The possibility of allowing the EU to use **up to 5% international carbon credits** (Article 6 of the Paris Agreement) to meet its 2040 climate target [waters down the ambition and the environmental integrity of EU climate action](#), while **delaying and increasing the overall costs of the EU transition**. It would weaken investment certainty, innovation drive and hence competitiveness, with far-reaching financial implications for the EU and Member States. We are concerned that the full 5% credits will be integrated in the framework, locking in 85% net domestic emission reductions by 2040. In this context, the Commission's proposal to lower the ETS ambition through the purchase of 260 million international credits goes in the wrong direction. We also stress the importance of not allowing ETS operators to use international credits directly to meet their ETS obligations, to avoid further undermining of the system.
- **National binding climate targets must continue to play a key role**. They are essential to provide policy predictability for national, local and regional governments, businesses and investors, while putting Europe firmly on track towards climate neutrality and ending its dependence on fossil fuels. Absolute **priority should be given to gross emission reductions**, while strengthening efforts to enhance net carbon dioxide sequestration in the land use (LULUCF) sector, and permanent industrial carbon dioxide removals based on a thorough assessment of their sustainable scale-up. [These three elements should be reflected in separate and distinct climate targets and trajectories](#). Allowing more flexibility must not weaken integrity and accountability of the targets, nor weaken incentives for mid-term progress in key sectors like transport, buildings, or agriculture.
- **Establish an ambitious, binding and enforceable post-2030 energy framework**. Maintain **binding EU renewable energy and energy efficiency targets**, strengthen the framework for renewables-based electrification, speed up the heating and cooling transition, with clear national contributions and sectoral trajectories to phase out all fossil fuels. The Governance Regulation must ensure delivery by safeguarding common planning and reporting through NECPs, LTS and NECPRs, while streamlining implementation through clear KPIs informed by local and regional realities and investment needs, without deregulating and enabling place-based implementation. Stronger ambition and delivery gap mechanisms and effective enforcement are needed to ensure targets translate into action. A strong multilevel governance approach, connecting national plans with local and regional plans and investment needs, should support effective implementation.

The transition should be enabled by a **bold 2028-34 Multiannual Financial Framework stepping up and channelling EU public and private finance to address the investment gap in Europe's decarbonization and resilience**, including towards demonstrated sustainable products and services and key infrastructure, which are among the EU's biggest competitiveness assets and essential to its cohesion objectives.

Counting on you to act on this urgent call, we remain at your disposal to further discuss ways to deliver together an inclusive and sustainable transition in Europe.

SIGNATORIES

ACR+ (Association of Cities and Regions for sustainable Resource management)

Bellona Europa

Climate Action Network (CAN) Europe

Climate KIC

Council of European Municipalities and Regions (CEMR)

eccee - European Council for an Energy Efficient Economy

ECOS

EKOenergy ecolabel

Eurocities

European Environmental Bureau

European Industrial Insulation Foundation

FEDARENE

ICLEI Europe - Local Governments for Sustainability

Naturefriends International

RECS Energy Certificate Association

Solar Heat Europe