A statement on the EU's 2040 climate target proposal

Press Release

Agora welcomes the European Commission's proposed 90 percent emission reduction target as a strong signal of continued climate commitment. However, the think tank underlines the need to keep proposed flexibilities strictly limited and to prioritise early and decisive domestic action across sectors.

Brussels, 2 July 2025. Today, the European Commission proposed a 2040 climate target of a 90 percent emission reduction, amending the EU Climate Law that commits the bloc to climate neutrality by 2050. The proposal, however, includes "flexibilities" such as the use of international credits, carbon removals and enhanced flexibility across sectors.

Below is a statement by **Émeline Spire, Director Europe**

"The proposed 2040 target of a 90 percent emissions reduction sends a strong signal of the EU's continued climate commitment, also to the international community in the run up to COP30. This commitment is crucial to ensure investment certainty for households and industry, emphasising that climate action is central to safeguarding competitiveness and resilience in Europe and beyond.

We note the inclusion of international credits against scientific advice. In the past, cheap offsets with little to no climate benefits have plagued EU climate policy. Avoiding this in the future is possible, but requires strict limits, strong safeguards and political resolve. To this end, a hard limit is crucial to signal a clear commitment to investors – including those who have already invested. The proposed three percent should be a maximum share allowed. Furthermore, international credits should not be used in the EU carbon market, should only come from countries with comparable ambition level and conform with strong standards.

The proposal for enhanced flexibility across sectors also needs to be approached carefully. To be climate neutral by 2050, early and decisive action in all sectors, including agriculture, is paramount.

Domestic emission reductions must remain the priority. However, unlike international credits, carbon removals will be an indispensable part of the EU's climate trajectory. It is critical to ensure that only permanent, measurable removals can be counted towards the bloc's climate efforts. Technology that removes carbon directly from the atmosphere – or DACCS – would meet these requirements. For such technology to be available at the scale needed over the next 20-25 years, it is now essential to ensure that markets and regulation supporting it evolve rapidly."

About Agora Energiewende

Agora Energiewende develops scientifically sound and politically feasible concepts for a successful pathway to climate neutrality – in Germany, Europe and internationally. The organisation which is part of the Agora Think Tanks works independently of economic and partisan interests. Its only commitment is to climate action.

Press Contact
Kaisa Amaral, Press and EU Communications Lead
Email: kaisa.amaral@agora-thinktanks.org
Telephone: +32 485 07 68 90

Agora Energiewende
Anna-Louisa-Karsch-Str. 2
10178 Berlin | Germany
www.agora-energiewende.org