

## Policy briefing: EU 2040 GHG emissions reduction target

April 2025

### Overview

- The European Commission will propose in Q2 2025 a new legally binding EU economy-wide greenhouse gas (GHG) emissions reduction target for 2040.

The proposal will be for a net target of -90% based on a 1990 baseline. This aligns with the lower end of the range recommended by the independent European Scientific Advisory Board on Climate Change (ESABCC). As such, it is – just – in line with the best available scientific advice.

- The target will sit between the EU's current legally binding goals of climate neutrality by 2050 and reducing emissions by 55% by 2030 (also from a 1990 baseline). The ambition of the 2040 target will play a significant role in determining the shape of the EU's climate, energy and economic policy architecture post-2030. It will, therefore, be a critical milestone for Europe's trajectory towards net zero.
- After the Commission's proposal, the target will need to be negotiated and agreed by both the European Parliament and EU Member States, providing a significant window for lobbying by corporates.
- There has been mixed corporate lobbying on the ambition of the 2040 climate target. As reported by [InfluenceMap](#), a range of corporate and trade association actors support an ambitious target in line with the ESABCC advice, especially in the utilities and renewables sectors, but heavy industry and fossil fuels groups are lobbying for lower ambition. There also remain a large number of significant corporates that have not made their position on the 2040 target clear publicly.
- It is expected that the target will be agreed in the second half of 2025, ahead of COP30.

### Policy timeline

**Q1-Q2 2023:** The European Commission held a public consultation on the 2040 climate target.

**Q2 2023:** The independent European Scientific Advisory Board on Climate Change (ESABCC) published scientific advice recommending an EU emissions reductions target of 90–95% by 2040.

**Q1 2024:** The Commission published a non-legislative communication on the 2040 climate target, advocating for a reduction of emissions by 90% compared to 1990 levels.

**Q2/Q3 2025:** The Commission confirmed that it will propose a legislative amendment to the European Climate Law to include a 2040 target of reducing emissions by 90%. Following delays, it is most likely that the proposal will be published in Q3 2025.

**Q4 2025:** The European Parliament and EU Member States are expected to negotiate and agree on what the 2040 target will be, based on the Commission's proposal.



**Q4 2025:** The EU is expected to present its updated Nationally Determined Contribution (NDC) in the run up to COP30. The NDC will cover the period up to 2035 and its ambition will be derived from the EU's 2040 target.

## Background

As part of the [European Climate Law 2021/1119](#), the European Commission is required to propose an intermediate greenhouse gas (GHG) emissions reductions target for 2040 in alignment with the EU's climate neutrality goal for 2050. The Commission has said it will put forward a legislative proposal on the EU 2040 target in Q1 or early Q2 2025 that will then be considered by the European Parliament and Council of the European Union for review and agreement.

In February 2024, the European Commission published its 'Impact Assessment Report' on the EU's 2040 climate target, which supported reducing the EU's net greenhouse gas emissions by 90% by 2040 compared to a 1990 baseline.

The Commission's proposal of -90% emissions is on the lower end of what was [recommended](#) by scientific advice from the independent European Scientific Advisory Board on Climate Change (ESABCC) in 2023. The ESABCC recommends an EU emissions reductions target of 90-95% by 2040, relative to 1990. This recommendation is informed by 36 emissions scenarios taken from an analysis of more than 1,000 pathways, all of which adhere to a Paris Agreement aligned global temperature increase.

The EU 2040 climate target is expected to be agreed by EU institutions ahead of COP30 in Q4 2025 so that it can inform the EU's next Nationally Determined Contribution (NDC) submission under the Paris Agreement.

## IIGCC work to date

In July 2023, IIGCC submitted our consultation response to the Commission's *Call for Evidence on the EU 2040 Climate Target*. In this response, we advocated for a target of "90-95%, or at least 90%" in alignment with the ESABCC's scientific guidance.

In May 2024, IIGCC signed a [letter](#) on the EU 2040 target along with over 100 investors, business, and investor and business networks and associations, urging EU leaders to endorse a GHG emissions reduction target of at least 90% by 2040. The letter strongly urges the Environment and Climate ministers of the European Union to adopt a robust target that will boost the resilience of the EU, ensure energy security, and enhance competitiveness.

## Policymaker perspectives

### Current political environment

The European Parliament's rightward shift in 2024, increasing geopolitical pressures and hostility around climate policy, as well as the existing gaps in EU policy implementation will all impact the Commission's proposal for the EU 2040 Climate Target.

In particular, there is risk that (1) The agreed target will not reflect scientific guidance from the European Scientific Advisory Board on Climate Change; (2) If a target of 90% reductions is proposed by the Commission, it will come with unclear accounting flexibilities; (3) The Commission will be unable to implement measures to decarbonise key sectors at the pace required to meet a target of 90%.



Following a series of delays, the European Commission's proposal for the 2040 Climate Target is expected in July 2025.

## European Commission

The EU's 2024-2029 mandate began with Ursula von der Leyen restating the EU's commitment to the European Green Deal, stating: This was accompanied by a commitment to propose a 2040 target of –90%, reiterated by Commissioner Wopke Hoekstra (Climate, Net Zero and Clean Growth) at his reconfirmation hearing in late 2024 where he promised to *"act fully in line with the [Scientific Advisory] Board's advice... [and] use all instruments available to aim to enable the EU to reach the minimum recommended target of 90% net reductions."*

However, recent news has suggested there is a chance that the Commission's proposal of 90% may be watered down or made more flexible to implement in response to political pressure. This comes after existing criticisms that a target of 90% is on the lower end of scientific guidance from the ESABCC and not reflective of global equity considerations.

The reported adjustments under consideration include: (1) Backloading emission cuts by slowing emissions reductions in the early 2030s and concentrating action near 2040; (2) Using international carbon credits to count towards the target of 90%; (3) Increasing the share of carbon removals; (4) Allowing member states to decarbonise certain sectors to offset others. Which of these adjustments will be used, and to what degree, has not been made clear.

The considered adjustments have received mixed reactions, with attention being drawn to how this will impact the EU's primary focus of competitiveness and climate goals being pursued in tandem (e.g. the Clean Industrial Deal).

## EU member states

Most recently, the incoming German coalition government gave contingent support for an EU 2040 Climate Target of 90%. The three contingencies include: ensuring that the EU's 2040 target should not increase Germany's domestic target of 88% gross emissions reductions by 2040, the EU only using international credits if they are of a high quality and limited to a maximum of 3% of the EU 2040 target, and for there to be a role for permanent carbon removals.

France has commented that a –90% target would only be supported if there is an ambitious Clean Industrial Deal outlining how industry is expected to decarbonise competitively.

Sweden, Denmark, Luxembourg, Austria, Finland, the Netherlands, Spain, Estonia, Portugal and Slovenia have explicitly stated their support for a –90% climate target for 2040.

Austria, Belgium, Bulgaria, Ireland, Lithuania, Greece and Romania have not yet voiced their opinion on the 2040 target.

Poland, Czechia and Hungary seem to be pushing for an –80% target. On the other hand, Slovakia, Italy, Croatia, Malta, and Latvia have so far only expressed that they are against the current proposal from the Commission.

## European Parliament

The European Parliament will likely be divided on the 2040 target, and it is unclear which way its support will go. This is largely due to the Parliament's largest group, the centre right European People's Party (EPP), being split internally – with some Members of the European Parliament



(MEPs) supporting the Commission's proposal and others expressing concerns and resistances on the ambition of the goal.

The centre-left Socialists and Democrats (S&D) and the centrist liberal Renew groups are in favour of the -90% target, while the Greens' position is that the EU should aim for climate neutrality by 2040. The Parliament's prominent hard and far right groups have been adamantly against this level of ambition, though flexibilities provided within the accounting of the target may help this.

## Additional Reading

- InfluenceMap policy tracker on the [2040 climate target](#)
- IIGCC [insight piece](#) on EU President von der Leyen's Political Guidelines for the Commission [07.2024]
- IIGCC signs [letter](#) on EU 2040, calling for GHG reductions of "at least 90%" by 2040 [03.2024]
- IIGCC [explainer](#) on EU 2040 Climate Target [03.2024]
- IIGCC [insight piece](#) on European Commission communication on 2040 target [02.2024]
- IIGCC [insight piece](#) on ESABCC recommendation for EU 2040 Target [03.2023]