

June 23rd, 2023

Response to EU Commission's consultation on EU climate target for 2040

Statement on the EU 2040 target

The starting point for setting the EU's climate targets, and for designing policies to implement it should be based on an understanding of what is EU's globally fair contribution to the implementation of Paris climate agreement. This can be made consistently by defining the EU's share of the carbon budget (and non-CO₂ emissions) by employing equity principles much studied in scientific literature. The fairness analysis should then be complemented by feasibility analysis to find out the cost-efficient actions. Drawing on this starting point the Finnish Climate Change Panel emphasizes the following aspects concerning the 2040 target and the design of future policies.

EU 2040 target based on a fair contribution analysis

The recent the European Scientific Advisory Board on Climate Change (ESABCC) advice gives a comprehensive overview of global carbon budgets and potential GHG budgets for the EU and related fairness principles. As obvious, applying different principles of fair contribution gives different estimates on what the EU's share of the global carbon budget could be. Science cannot say what is the "correct" principle to follow but Paris Agreement 2015 and UN climate agreement 1992 emphasize higher responsibility of developed countries. Furthermore, evaluating the EU's fair share of the remaining global carbon budget requires choosing what size of a global carbon budget to use as a starting point – will it limit the warming to 1.5 and/or allow temporary overshoot, how big of an overshoot and at what probability. The choice of a carbon budget should be based on the best available science and the choice should be communicated openly.

By our estimate, even relying on the equity principle, giving each human equal right to a share of the remaining carbon budget, shows that¹ the EU should be carbon negative by 2050, while causing no harm to other environmental goals. Basing the determination of the fair share on the ability to pay principle, would lead to an even sharper reduction of net emissions. Faster and steeper net emissions reductions would help to increase the fairness of the EU's contribution. A feasibility study is required to ensure that the path to 2050 via 2040 targets is doable and primarily within the EU boundaries. This may also call for a determined increase in technological sinks via CCS, BeCCS and DaCCS as a means of approaching fairness.

We also emphasize that the Commission should clearly communicate the assumptions and decisions it has made when it sets the 2040 target regarding how the contribution is considered fair, and what feasibility constraints and risks are considered and how.

What type of a target?

The EU's fair share is determined for net emissions. However, in addition, it is wise to set separate targets for emissions and sinks for 2040 to ensure sufficient progress towards the overall target. Allowing a restricted degree of flexibility would be feasible. Clarification of targets and accounting principles for sinks, based on national inventory accounting rules, should be ensured.

¹ Ollikainen, M., Weaver, S., Seppälä J. 2019. An approach to nationally determined contributions consistent with the Paris Agreement and climate science: Application to Finland and the EU. The Finnish Climate Change Panel Report 7/2019. https://www.ilmastopaneeli.fi/wp-content/uploads/2019/10/Finlands-globally-responsible-contribution_final.pdf.

- A clear path for eliminating emissions from fossil fuels is needed.
- Sinks and negative emissions need to be enhanced to address/increase the fairness of the EU's contribution to the global 1.5 degrees target.

The advice from the European Scientific Advisory Board on Climate Change should be carefully considered.