



2040 climate target

European Energy Forum

19/03/2024

The 2040 Target Communication

- **Recommends a 2040 climate target;**
- Responds to the Climate Law;
- Policies for 2030 remain unchanged (e.g. Fit for 55);
- Legislative proposal for the 2040 target – next Commission;
- The design of the post-2030 policy framework – in the coming years;
- An impact assessment informs the Communication;
- **This Communication launches a debate**

Enabling conditions

- The **full implementation** of the agreed 2030 framework
- **Competitiveness** of European industry and agriculture
- Greater focus on **Just Transition** - leaving no one behind
- A **level playing field** with international partners
- **Open Dialogue on the post 2030 framework**

A comprehensive investment agenda

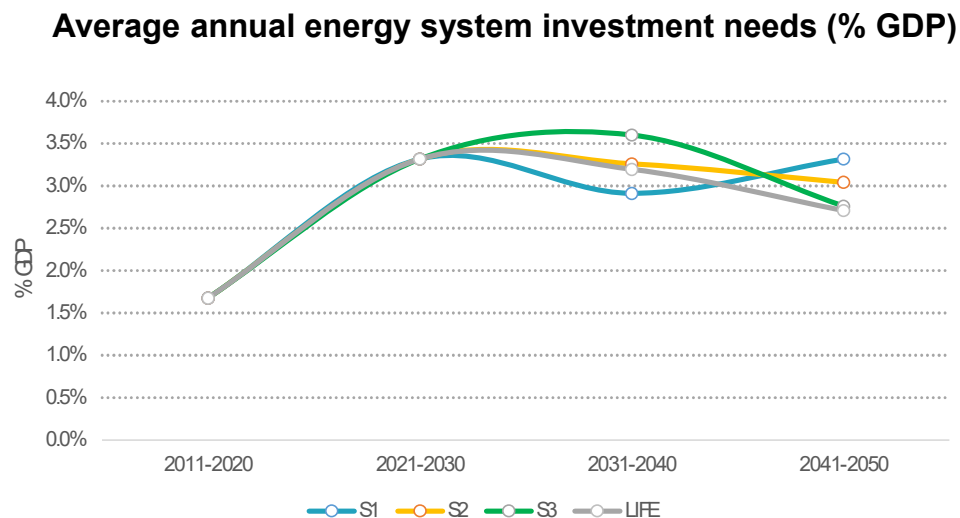


Figure 103 of the IA Annex 8, section 2.2.1

- € 710 bn per year in 1st decade (2031-2040) for energy, and then less in 2041-2050
- Equivalent to € 660 bn per year on average between 2030 – 2050
- 1,5% of GDP above the investment in 2011-2020 for energy, and 0,2% of the GDP higher for transport;
- The 2040 target gives regulatory certainty for long-term investments implementing the 2030 targets
- Focus on bottlenecks in the energy system such grids, flexible demand, and storage

The EU's energy system is central

- Electrification of the economy remains key to decarbonization
- The power sector is the first to decarbonize (by 2040)
- Renewable energy will become the backbone of the energy system
- However, all low carbon energy solutions are necessary (including, nuclear, energy efficiency, storage, CCS, CCU, carbon removals, etc.)

Industry decarbonisation deal

- EU competitiveness needs stable and affordable clean energy, and is a basis for technological sovereignty and economic security;
- Attention for Energy Intensive Industries
- Need an enabling framework to mobilise private capital and investment;
- Need to ensure more attractive incentives for clean tech manufacturing so that the EU retains industrial capacity;
- Growing need for industrial carbon management and carbon removals;

Guiding questions for discussion

1. How do you see the implications of frontloading climate action, to invest more in action in 2031-2040, and what this means for different sectors of the economy in your country? Which sectors of the economy should be the focus of policy efforts after 2030?
2. Which are the most important enabling conditions for action? What are the most important measures to ensure the competitiveness of the European economy and a just transition?

Thank you



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