



EUROPEAN COMMISSION

*Brussels, 11.2.2021  
C(2021) 994 final*

*Reiner Haseloff  
President of the Bundesrat  
Leipziger Straße 3-4  
10117 Berlin*

*Dear President,*

*The Commission would like to thank the Bundesrat for its Opinion on the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Stepping up Europe's 2030 climate ambition – Investing in a climate-neutral future for the benefit of our people {COM(2020) 562 final}.*

*This Communication proposes to increase the target to reduce net greenhouse gas emissions by 2030 from at least 40% to at least 55% compared to 1990. This increase was endorsed by the European Council on 11 December 2020<sup>1</sup>. In proposing these measures, the Commission is making good on the promise in its 2019 Communication on the European Green Deal<sup>2</sup> to make Europe the first climate-neutral continent by 2050. The Communication looks into the type of actions required across all sectors of the economy to achieve this reduction. It also sets out which key legislative instruments need to be revised to achieve this increased ambition, since the legislation currently in force would see the EU achieving only a 60% reduction of greenhouse gas emissions by 2050. The Commission will now further assess and consult on the revision of those legislative instruments and will come forward with a legislative package proposal by June 2021.*

*Sticking to the old reduction target for 2030 would have implied larger reductions during the period 2030-2050, which would have put a steep, disproportionate challenge of emission reductions on society in the near future. The Commission's proposal to reduce net greenhouse gas emissions by at least 55% by 2030 puts the EU on a steadier and hence fairer path to reach its objective of a climate neutral EU by 2050, giving people, governments and businesses more certainty about the pace of change required, and reducing our reliance on even steeper reductions after 2030.*

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<sup>1</sup> European Council Conclusions, EUCO 22/20.

<sup>2</sup> COM(2019) 640 final.

*Setting ambitious but achievable targets will give a renewed impetus to limiting global temperature rise to well below 2 °C by 2050, aiming at 1.5 °C, as stipulated by the Paris Agreement. The EU was instrumental in brokering the Paris Agreement and continues to show global leadership, which means not only setting ambitious targets, but also encouraging others to follow and showing how ambitious targets can be met in a responsible way.*

*Together with the Communication, the Commission presented an amendment to its proposal for a Regulation on a European Climate Law<sup>3</sup> to introduce the updated net 55% greenhouse gas emissions reduction target by 2030 as the starting point for a credible EU pathway to net zero greenhouse gas emissions in 2050. This will allow assessing progress periodically towards the 2050 objective. The EU's nationally determined contribution, provided for in the Paris Agreement, was updated at the end of 2020 according to the new binding target and submitted to the UN Framework Convention on Climate Change (UNFCCC) secretariat.*

*The Commission is pleased that the Bundesrat shares the view that the increase of climate ambition for 2030 at the EU level as envisaged in the Communication is required to achieve, in a more gradual way, the objective set by the Paris Agreement of a maximum temperature increase of well below 2° C. It also notes that the Bundesrat agrees that it recognises the European Green Deal as Europe's growth agenda, allowing for a more sustainable growth path that leads to economic and social benefits.*

*The Commission has taken due note of the views expressed by the Bundesrat in its Opinion, which are informative in the context of the Commission's preparation of the legislative package proposals by June 2021.*

*In response to the more technical comments in the Opinion, the Commission would like to refer to the attached annex.*

*The Commission hopes that the clarifications provided in this reply address the issues raised by the Bundesrat and looks forward to continuing the political dialogue in the future.*

*Yours faithfully,*

*Frans Timmermans  
Executive Vice-President*

*Maroš Šefčovič  
Vice-President*

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<sup>3</sup> COM(2020) 563 final.

*The Commission welcomes the inquiry that the Bundesrat has carried out into this important subject. As regards the points to which the Bundesrat has drawn the Commission's particular attention, the Commission would like to make the following comments:*

*Points 3 and 5: The Commission agrees that investment in the energy system and in technologies of the future is of utmost importance for the transition to climate neutrality. The full decarbonisation of the energy system, responsible for just over 75% of EU greenhouse gas emissions, is at the core of the increase in 2030 climate and energy ambition. By looking at the electricity system as a whole, from providers to users in transport, industry or even data centres of the future, the Commission would like these different sectors and systems to be integrated, allowing for an efficient use of energy for all.*

*By 2030, the share of renewable electricity production is set to double from today's 32% to 65% or more. It will remain one of the fastest decarbonising sectors up to 2030. The deployment of renewable electricity provides a major opportunity for the decarbonisation of other sectors such as heating and cooling, road transport and industry. The Commission will review its legislation in this context, such as the Renewable Energy Directive and the Energy Efficiency Directive, as well as key sectoral legislation, such as the Energy Performance of Buildings Directive.*

*The EU will also set an appropriate enabling framework to direct investment where it is needed throughout the energy systems and usage sectors such as transport and industry. This includes:*

- direct support for green investment under NextGenerationEU with a 37% spending target on climate action, and a revamped EU multi-annual financial framework with a 30% climate spending target;*
- enabling conditions under the Action Plan on Financing Sustainable Growth and the EU taxonomy Regulation for green investments;*
- the revision of the Energy and Environment State aid guidelines, which will align the rules that apply to Member States' support with the Green Deal.*

*- Points 7 to 12: The Commission agrees that all transport sectors will have to contribute to the 55% reduction effort, including waterborne transport, where there is a need to scale up efforts to improve the efficiency of ships and their operations and increase the use of sustainably produced renewable and low-carbon fuels.*

*The Commission also agrees that international cooperation to reduce greenhouse gas emissions from maritime transport is desirable and is of the opinion that Europe should pursue ambitious international instruments negotiated or under negotiation in the International Maritime Organization to promote effective action in this context.*

*The Commission would like to note that it aims to prepare a basket of measures to ensure that the maritime transport sector contributes its fair share to the EU climate effort, in line with the EU's commitment to economy-wide action under the Paris Agreement. As part of this basket of measures, the Commission will assess the possible extension of the European emissions trading system to maritime transport, based on a comprehensive impact assessment, which will duly consider aspects related to, for example, the risk of carbon leakage, and the impact on competition or the administrative burden for market actors. It will also include other legislative measures such as the FuelEU Maritime initiative to boost the demand for sustainable alternative fuel or the revision of existing directives dealing with energy taxation, alternative fuel infrastructure or renewable energy.*

*The Commission will equally assess the option of extending emissions trading to road transport. CO2 performance standards for cars will always play a key role to increase the supply of zero emission car models, making them affordable for all. The Commission will assess its proposals carefully, taking account of feasibility, industry competitiveness and just transition for workers and others citizens.*

*Points 13 to 16: The Commission shares the view that the land sector is an integral part of achieving the 2050 climate ambition. In the Commission's view, it is important to stop and reverse the declining trends of removals from land use, land use change and forestry (LULUCF). The Commission will review the LULUCF Regulation in this context.*

*The Commission recognises the enormous pressures and challenges due to climate change and calls for urgently needed mitigation and adaptation strategies and their implementation in Member States. To this end, the Commission has and will further launch strategies (Adaptation Strategy, Biodiversity Strategy, Farm to Fork Strategy, Forest Strategy, Carbon Farming Strategy, Soil Strategy) for pathways on how our land should be developed and managed to be ready for the future.*

*Actions can be financed at the EU level through the current and future Common Agriculture Policy, and programmes such as InvestEU or LIFE. Besides national programmes, the Commission also sees the need to engage further with private actors.*