Reducing carbon emissions: EU targets and measures

Read what measures the European Union is taking to meet targets to reduce carbon emissions as part of the Fit for 55 in 2030 package.

EU climate change goals

To tackle climate change, the European Parliament adopted the European Climate Law, which raises the EU’s 2030 emissions reduction target to at least 55% from 40% and makes climate neutrality by 2050 legally binding.
The Climate Law is part of the European Green Deal, the EU’s roadmap towards climate neutrality. To reach its climate goal, the European Union has come up with an ambitious package of legislation known as Fit for 55 in 2030. It comprises 13 interlinked revised laws and six proposed laws on climate and energy.

*Check out our infographic on the EU’s progress toward its climate change goals.*

**An Emissions Trading System for industry**

The EU's Emissions Trading System (ETS) aims to reduce the industry's carbon emissions by obliging companies to hold a *permit for each tonne of CO2* they emit. Companies have to buy them through auctions. There are some incentives to boost innovation in the sector.

The European Emissions Trading System is the world's first major carbon market and remains the largest one. It regulates about 40% of total EU greenhouse gas emissions and covers about 10,000 power stations and manufacturing plants in the EU. To align the ETS with the emission reduction targets of the European Green Deal, the EU is working on an update of the scheme. Parliament wants emissions in the ETS sectors to come down 63% by 2030, from 2005 levels, compared with the European Commission's proposal of 61%.

*Find out more about how the EU’s Emissions Trading System works and how it is currently being reformed.*

**Cutting emissions from transport**

**Emissions from planes and ships**

Civil aviation accounts for 13.4% of total CO2 emissions from EU transport. On 8 June 2022, Parliament backed a revision of the ETS for aviation to apply to all flights departing from the European Economic Area - which is made up of the EU plus Iceland, Liechtenstein and Norway - including those landing outside the area.

MEPs want used cooking oil, synthetic fuel or even hydrogen to gradually become the norm for aviation fuel. They want suppliers to start delivering sustainable fuel from 2025, reaching 85% of all aviation fuel in EU airports by 2050.

Parliament also wants to accelerate the decarbonisation of industry by extending the ETS to maritime transport. MEPS want the maritime sector to cut greenhouse gas emissions from ships by 2% as of 2025, 20% as of 2035 and 80% as of 2050 compared to 2020 levels. The cuts
should apply to ships over a gross tonnage of 5000, which account for 90% of CO2 emissions. 

More on EU measures to cut emissions from planes and ships.

Road emissions cars

Cars and vans produce 15% of the EU’s CO2 emissions. Parliament backed the Commission proposal of zero emissions for cars and vans by 2035. Intermediate emissions reduction targets for 2030 would be set at 55% for cars and 50% for vans.

Learn more about the new CO2 targets for cars.

To reach these targets, all new cars that come on the market as of 2035 should be zero-emission and cannot emit any CO2. These rules don’t affect existing cars.

Read more about the EU ban on the sale of new petrol and diesel cars.

The switch to zero-emission vehicles must go hand in hand with a comprehensive infrastructure for sustainable fuels. MEPs want electric charging areas for cars at least once every 60 kilometres along main EU roads by 2026 and hydrogen refuelling stations every 100 kilometres by 2028.

Read more about how the EU wants to increase the use of sustainable fuels.

Parliament agreed to the introduction of carbon pricing for road transport and heating, usually referred to as ETS II. MEPs want businesses to pay a carbon price on products like fuel or heating oil, while regular consumers would be exempted until 2029.

Carbon pricing on imported goods

A carbon border adjustment mechanism would encourage companies in and outside the EU to decarbonise, by placing a carbon price on the imports of certain goods if they come from
countries with less ambitious climate legislation. It is intended to avoid carbon leakage, which is when industries move production to countries with less strict greenhouse gas emissions rules.

As part of the Fit for 55 package, the European Commission proposed a Carbon Border Adjustment Mechanism (CBAM) in July 2021, which would apply a carbon levy on imports of certain goods from outside the EU. MEPs want it to be implemented from 1 January 2023, with a transitional period until the end of 2026 and full implementation by 2032.

*Read more on preventing carbon leakage.*

**Tackling carbon emissions from other sectors**

Sectors not covered by the current Emissions Trading System – such as transport, agriculture buildings and waste management – still account for **about 60% of the EU's overall emissions**. The Commission proposed emissions from these sectors should be **cut 40% by 2030** compared to 2005.

This will be done through agreed **national emission targets in the effort sharing regulation**. **The national emission targets** are calculated based on countries’ gross domestic product per capita. Lower-income EU countries will be provided with support.

Under Fit for 55, buildings and road transport will be covered under both the effort sharing regulation and the new ETS.

*Read more on the emissions reduction targets for each EU country.*

**Using forests to capture emissions**

Forests are natural carbon sinks, meaning they capture more carbon from the atmosphere than they release. EU forests absorb the equivalent of nearly 7% of total EU greenhouse gas emissions each year. The EU wants to use this power to fight climate change.

In June 2022, MEPs supported increasing the target for carbon absorption in the sectors related to the use of soils, trees and plants. This could be done for example by restoring wetlands and bogs, planting new forests and halting deforestation.

*Read more on how the EU wants to develop carbon sinks.*
Deforestation is a global issue. This is why the EU is working on a regulation that will oblige companies to verify that products imported in the EU have not been produced on deforested or degraded land.

Read more on the causes of deforestation and how the EU is tackling it.

Find out more

- Climate change in Europe: facts and figures
- EU measures to boost green energy