NO TARGETS, NO CLARITY: EU'S FLEXIBILITY PURSUIT LEAVES CARBON REMOVALS IN A LIMBO

Brussels, 2 July – The European Commission's proposed revision of the Climate Law sets a net 90% reduction target for 2040. Yet in the name of political flexibility, the proposal leaves a critical question unanswered: ***How much must come from actual emissions cuts, permanent carbon removals, and land-based sinks?***

Separate targets: clarity sacrificed for compromise

For over a year, scientists, industry, civil society, and the Commission's own Scientific Advisory Board have urged to clearly define reductions and removals contributions. While the revision hints at separate "contributions" in the preamble, the mention is practically negligible.

"For the carbon removal sector, separate targets aren't a caprice – they're essential to secure billions in investments needed to build capacity for net-zero," says **Anna Costova**, Associate Policy Lead. "Flexibility might win political favours today, but until we know how much CDR we need by 2040, policy will remain stuck."

The proposal announces "incentives" for permanent removals – notably, integrating Direct Air Capture and BioCCS into the EU Emissions Trading System. A faint mention of the need to "maintain, manage, and enhance natural sinks" signals that the LULUCF Regulation will be extended towards 2030. However, both laws will take years to adopt, leaving the sector in limbo about 2040 volumes.

At the same time, separate targets ensure that CDR growth doesn't interfere with deep emissions cuts. Carbon Gap's new policy brief, released today, finds the EU will need between 100 and 280 $MtCO_2$ of permanent removals per year by 2040, depending on how fast emissions fall. The connection is clear: the faster we cut emissions, the less we will need removals – but without them, net-zero is out of reach. The findings also confirm that no single CDR method can deliver these volumes on its own. A portfolio approach is essential to spread cost and risk, and set up clear, separate policy frameworks.

International credits: flexibility or integrity gamble?

The proposal would also allow up to 3% of international carbon credits under Article 6 of the Paris Agreement to count toward the 2040 target.

"Commissioner Hoekstra pledged high integrity: that international credits will be verifiable, additional, and especially beneficial for permanent CDR," say **Rodica Avornic**, Policy Director. "But will this commitment survive co-legislation? We're glad the proposal only says 'possible contribution.' Let's not commit before a thorough assessment."

Next steps: towards credibility

The Danish Presidency aims to secure a Council agreement by 18 September. While speed is vital to meet the EU's 2035 NDC deadline, it must not come at the cost of credibility. The EU must adopt **separate, enforceable targets** for removals alongside emissions cuts — or risk drifting off the path to net zero.

Carbon Gap's modelling shows that separate targets are not only necessary but achievable. The report offers practical insights to guide policymakers in defining these targets without delay, ensuring Europe's path to net zero is both credible and effective.

About Carbon Gap

Carbon Gap is a dedicated climate NGO committed to transparent analysis and advocacy for robust carbon removal climate policies. Through rigorous research and collaboration with stakeholders across Europe, Carbon Gap aims to drive forward effective solutions for a sustainable future.

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