

## CEMBUREAU's feedback to the 2030 Climate Target Plan

CEMBUREAU welcomes the opportunity to comment on the draft 2030 Climate Target Plan.

CEMBUREAU, the European Cement Association, is determined to contribute strongly to the EU's vision for a carbon neutral society by 2050 and supports the objectives of the European Green Deal.

The association is already advanced in the process of updating its low-carbon roadmap into a Carbon Neutrality Roadmap, with a view to reaching carbon neutrality down the cement and concrete value chain by 2050 (please see our [press release](#)). The cement industry has reduced its emissions by 15% since 1990 and the new Roadmap will include an aspirational objective for CO<sub>2</sub> emissions reduction at a 2030 horizon.

When it comes to the Commission's inception impact assessment, CEMBUREAU has the following comments:

- Regardless of the level of ambition for 2030, it is absolutely essential that a thorough impact assessment is conducted by the European Commission to determine the different policy options to reach these targets and their consequences. We regret that the inception impact assessment seems to indicate that comprehensive assessments on carbon leakage and effort-sharing will only be done at a later stage. We also note that the cancellation of the COP26 means that it will be difficult to compare the EU's climate contribution with that of third countries.
- When it comes to effort sharing, it will be particularly important to strike the right balance between ETS sectors on the one hand, where emissions have significantly reduced (and which already carry the biggest share of the effort for the current 2030 target), and non-ETS sectors on the other hand, which in many cases have seen a stagnation or increase of their emissions. Such non-ETS sectors offer significant CO<sub>2</sub> emissions' reduction potential and should be the main focus of any increased 2030 target.
- Investments in low-carbon technologies require regulatory certainty from now until 2030 and beyond. Higher EU climate change targets need to be achieved with proper respect for the current legal framework against which companies are currently making their investment decisions, and should take due consideration of the investment cycles in the industry. We would urge the European Commission to take into account the need for stable and predictable frameworks when assessing a potential re-opening of the ETS Directive, which was adopted less than two years ago.
- The objective of deeper CO<sub>2</sub> cuts at a 2030 horizon – and of carbon neutrality by 2050 – necessitates considerable investments, and will not be met without appropriate political support. CEMBUREAU's Carbon Neutrality Roadmap will make several recommendations in terms of regulatory frameworks and concrete support measures. Furthermore, the [Masterplan for a Competitive Transformation of EU Energy-intensive Industries Enabling a Climate-neutral, Circular Economy by 2050](#) also contains key recommendations in this respect. Decarbonisation policies based on life-cycle analysis and full value chain approaches, as outlined in the European Green Deal, will be key. Investments in emission reduction technologies will also require a business case and a level-playing field.
- As recognised in the inception impact assessment, a higher ambition on 2030 carbon emissions' reduction will imply higher risks of carbon leakage. It is absolutely critical that carbon leakage measures are commensurate to the EU's climate ambitions, as recognised in the recently-

published Industrial Strategy Communication. Creating a level-playing field on carbon will be indispensable, and supplementary measures like carbon border adjustment mechanisms will play a key role, as explained in CEMBUREAU's [position paper](#) on this issue.

- We also note that the inception impact assessment suggests that the Commission will assess the impact of an ETS revision on carbon leakage “*looking at historical empirical evidence and what the techno-economic potential is to achieve further GHG reductions in industrial sectors*”. CEMBUREAU does not believe that such historical evidence is sufficient in itself: a higher carbon ambition will for instance imply higher carbon prices than those observed historically. Rather, the impact assessment should include future parameters, evaluate the impact that the existing provisions had at minimising carbon leakage so far, and look at ways to strengthening these provisions.

CEMBUREAU stands ready to engage with policy-makers throughout the 2030 climate target revision process.

We also support the joint submission from the Alliance of Energy-Intensive Industries which can be found [here](#).

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