

## **CEMBUREAU's response to the public consultation for the EU climate ambition for 2030**

CEMBUREAU welcomes the opportunity to comment on the EU's climate ambition for 2030.

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.

CEMBUREAU has published its own [carbon neutrality roadmap](#), which looks at achieving net zero emissions down the cement and concrete value chain by 2050. The cement industry has reduced its emissions by 15% since 1990 and the new Roadmap includes an aspirational 30% objective for CO<sub>2</sub> emissions reduction in cement (40% when including the full cement and concrete value chain) at a 2030 horizon.

When it comes to the Commission's consultation, CEMBUREAU has the following comments in addition to the questionnaire it submitted:

- 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. Fundamentally any change in targets for the EU ETS sectors should be based on a detailed impact assessment of the technical feasibility of the measures for the sectors covered. This impact assessment should look at the key "enablers" of industrial decarbonisation, such as the availability of infrastructure for CO<sub>2</sub> transport or the access to affordable low-carbon energy.
- 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 makes 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.

- 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. Beyond carbon leakage prevention, a carbon border adjustment mechanism could also bring other jurisdictions to speed up the adoption of climate policies and therefore promote a more balanced burden sharing across the world. We urge the European Commission to work on a strengthening of its policy instruments to combat carbon leakage.
- We also note that the inception impact assessment published a few months ago 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, 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 strengthen 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 on the 2030 inception impact assessment which can be found [here](#).

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