

EU climate law: a 2040 emissions reduction target of 90% for the EU

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- From 2036, five percentage points of emissions reductions can come via international carbon credits
 - Introduction of EU emissions trading system ETS2 postponed until 2028
 - Progress report every two years with possibility to review the 2040 climate target
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Following a vote by Parliament, the EU will have to reduce greenhouse gas emissions by 90% in 2040 compared with 1990 levels, to achieve a climate neutral EU by 2050.

On Tuesday MEPs backed a political agreement with Council on amendments to the [EU Climate Law](#) by 413 votes to 226 and 12 abstentions, to include a new, intermediate and binding 2040 EU climate target of reducing net greenhouse gas (GHG) emissions by 90% compared to 1990 levels.

Flexibility for member states

The revised climate law introduces flexibilities in how the 2040-target can be met. From 2036, up to five percentage points of net emissions reductions (two percentage points more than proposed by the Commission) can come from high-quality international carbon credits from partner countries. MEPs included safeguards to prevent the funding of projects contrary to the strategic interests of the EU.

The text also includes the possibility for domestic permanent [carbon removals](#) to be used to compensate for hard-to-abate emissions in the ETS as well as enhanced flexibility within and across sectors and instruments to achieve targets as cost effective as possible, as the green transition and improving EU competitiveness should go hand in hand.

The introduction of the EU's [ETS2](#) is also postponed by one year, from 2027 to 2028. ETS2 will cover CO2 emissions from fuel combustion in buildings and road transport.

Review of the 2040 target

The Commission will assess progress towards the target every second year, in view of up-to-date scientific data, technological developments, and the state of the EU's industrial competitiveness. It will also consider trends in energy prices and their repercussions for both businesses and households and assess the status of net removals at the EU level compared with what is necessary to meet the 2040 goal.

Following the review, the Commission may propose an amendment to the EU climate law, which could involve modifying the 2040 target or taking additional measures to strengthen the supporting framework - for instance to safeguard the EU's competitiveness, prosperity, and social unity.

Next steps

Once Council has endorsed the text, it will enter into force 20 days after it has been published in the EU Official Journal.

Background

The European Climate Law makes the goal of climate neutrality by 2050 a legally binding obligation for all EU member states. It also establishes a legally binding target for the EU to reduce net GHG emissions by at least 55% by 2030, compared to 1990 levels.

Further information

[Adopted text \(10.02.2026\)](#)

[Procedure file](#)

[EP research: Amending the European Climate Law \(February 2026\)](#)

[EP research: International carbon credits and EU climate targets \(05.06.2025\)](#)

[Free photos, videos and audio material](#)

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