











Ursula von der Leyen President

European Commission Rue de la Loi / Wetstraat 200 1049 Brussels (Belgium)

The missing "Option zero", maintaining the existing climate architecture, strengthening the Effort Sharing Regulation (ESR)

NGO views on the European Commission's proposal on the ESR review

Dear President von der Leyen,

The Commission recently published its <u>'Inception Impact Assessment'</u> to start the consultation process for the review of the Effort Sharing Regulation (ESR). The ESR is one of the main pillars of the EU's climate architecture and sets binding annual greenhouse emission reduction targets for each EU country for the period 2021 to 2030. **Scrapping this regulation - proposed in the Commission's Inception Impact Assessment - would be a serious mistake.** It would reduce incentives for effective national measures, undermine support for proven EU-wide policies, delay action in harder to treat sectors and risk serious impacts on poorer citizens.

The NGO signatories to this letter believe that the three new options that the Commission is bringing to the table would seriously damage the EU's climate architecture and undermine emission reduction policies that have already proven successful in Europe. **Repealing the ESR and walking away from binding national climate targets (options 1 and 3) are unacceptable.** These options could jeopardise even the achievement of the insufficient target of at least 55% emission cuts by 2030, which would seriously damage the EU's credibility internationally.

The NGOs stress that nationally binding emission reduction targets under the ESR – including emissions from the agriculture sector – must be retained, and at a minimum brought in line with the new 2030 emissions reduction target. Governance of the targets should also be enhanced and the existing 'flexibility' mechanisms allowing the use of ETS allowances and land use credits should be phased out.

We regret that the Commission did not include the one option that would ensure the level of climate action needed, "Option zero", of maintaining the current architecture and raising the ambition of the Emissions Trading Scheme (ETS), the ESR and the LULUCF Regulation. Only binding national greenhouse gas emissions reduction and removals targets, and targeted sectoral regulations such as the Renewable Energy Directive, the Energy Efficiency Directive and the Regulation on vehicle emissions standards, will drive the urgent changes needed in a fair and sustainable way.











We therefore ask you to reconsider your proposed approach, and make sure that the EU climate architecture, including the ESR, is preserved and strengthened, for the safety and benefit of our citizens and the world at large.

26. 11. 2020 Brussels

The following organisations support the open letter:

Birdlife
Climate Action Network - Europe (CAN-E)
Carbon Market Watch (CMW)
European Environmental Bureau (EEB)
Greenpeace
Transport & Environment (T&E)
World Wildlife Fund (WWF)