

Achieving 2040 climate goals from an industrial perspective

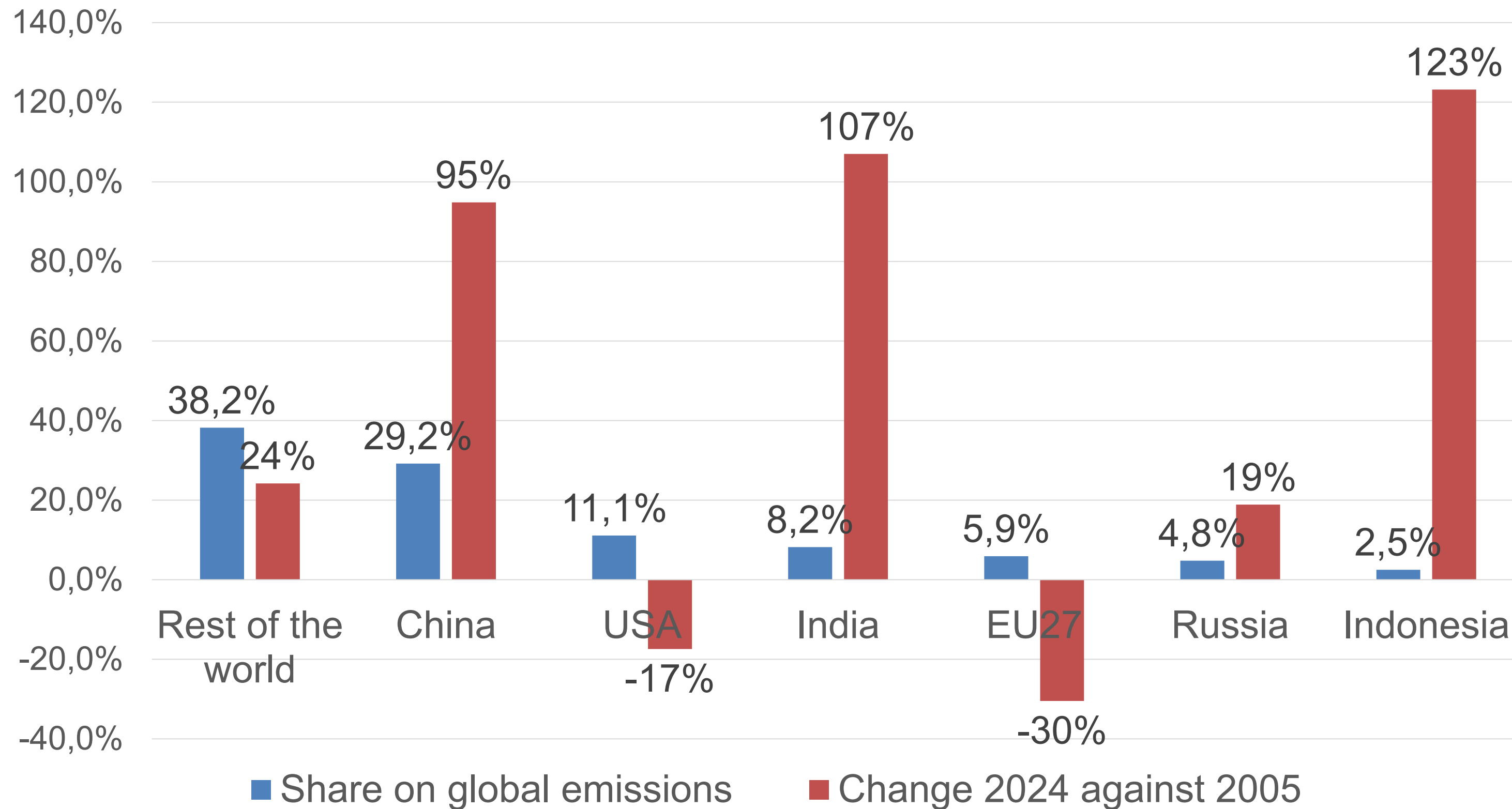
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Teplárenské sdružení České republiky

April 14th 2026

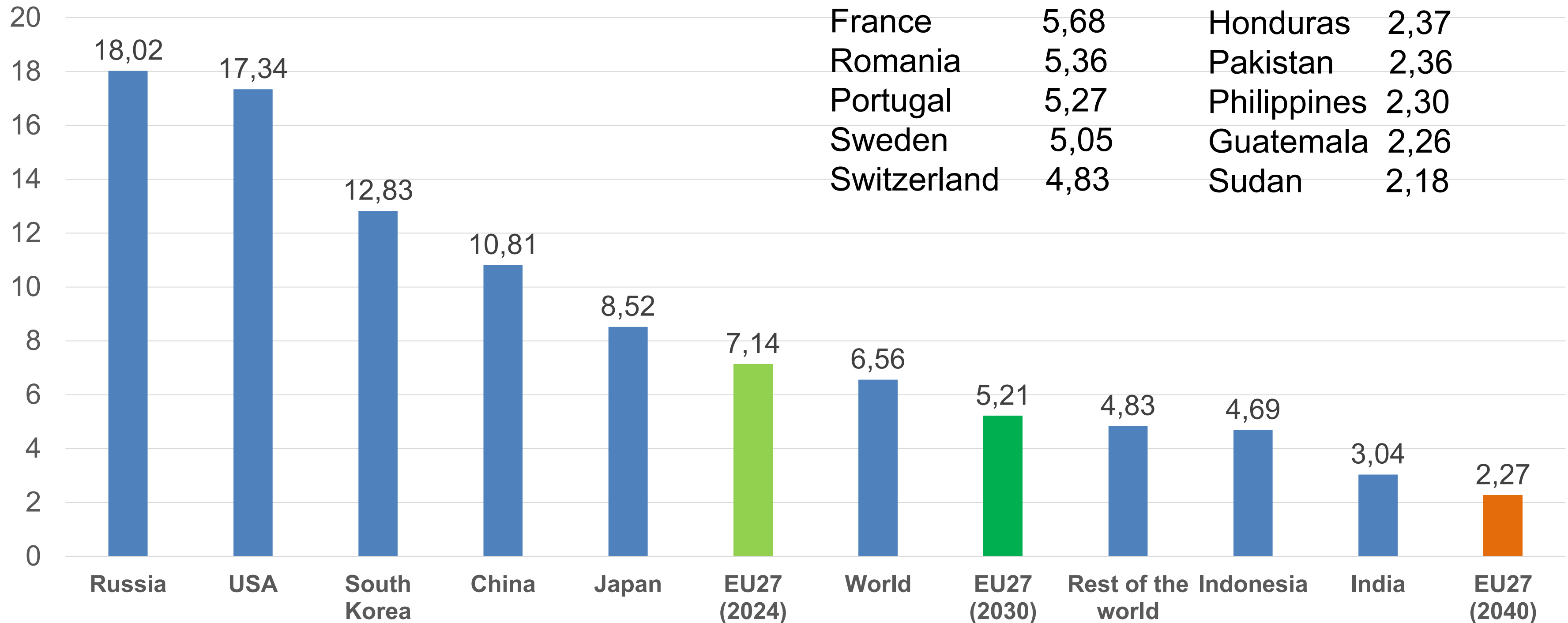
ICCT 2026, hotel Galant, Mikulov

Share on world's emissions in 2024 and change 2005-2024



Source: GHG emissions of all world countries, Joint Research Centre

Per capita emissions 2024 (tons CO₂ eq.)



Impact of EU 2040 target on climate

Share of EU on global emissions in 2024: 5,9 %

Share of EU on global emissions in 2030: 4,4 %

when taking into account expected increase in global emissions <4,0 %

Decrease of EU emissions from 2030 to 2040 by **1,3 mld. tons CO₂ eq.** without LULUCF
= 2,5 % global emissions in 2024

Impact of EU 2040 target on growth of global temperature is in hundredths of °C.

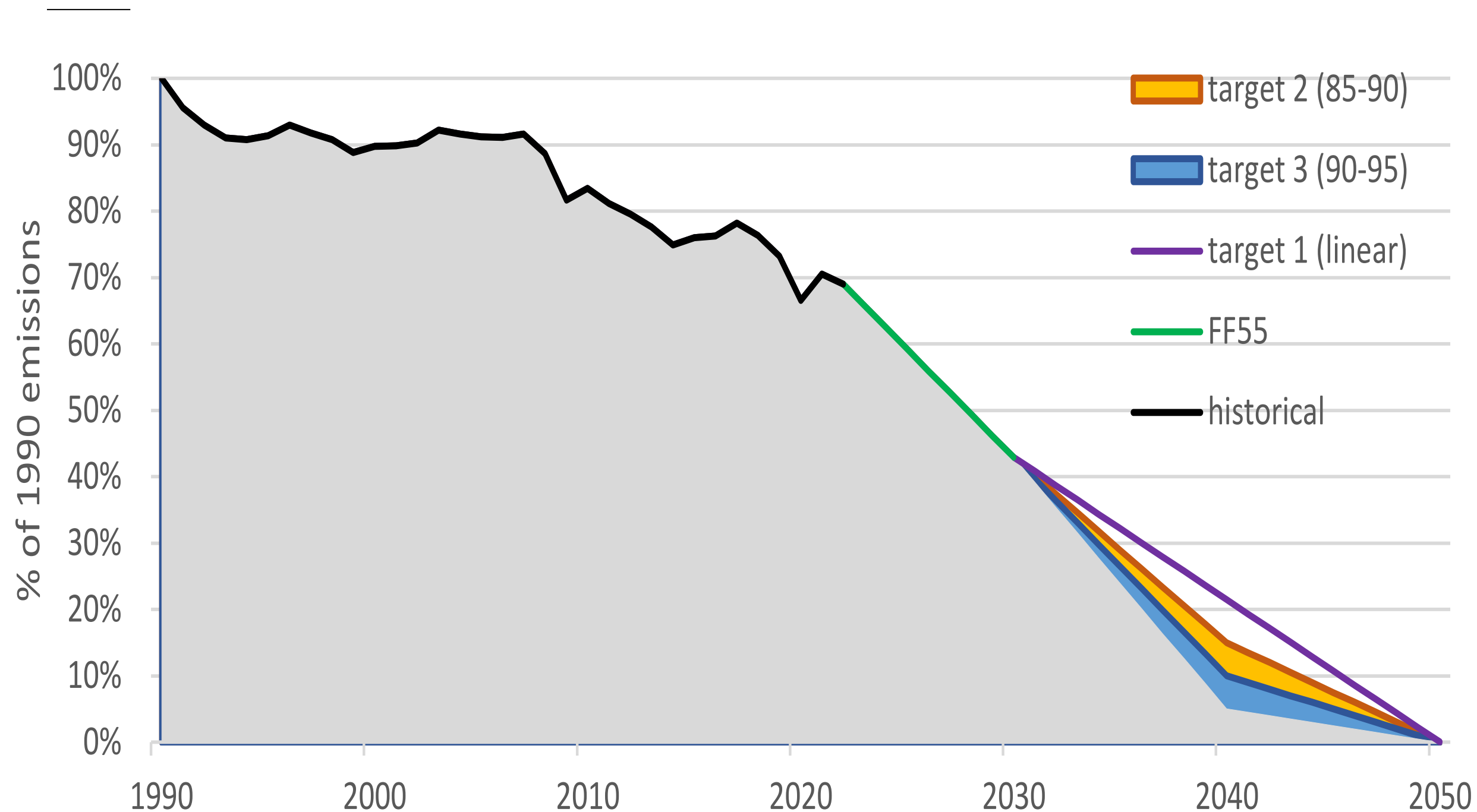
IEA World Energy Outlook 2025:

The level of long-term warming today stands at around 1.4 °C. Given continued high levels of emissions and recent investments in emissions-intensive infrastructure, temporarily exceeding the 1.5 °C threshold is virtually certain. High levels of emissions point towards a temperature rise above pre-industrial levels of 2.9 °C in the CPS and 2.5 °C in the STEPS by 2100, well above the levels targeted in the Paris Agreement.

Commitments of main emitters (NDCs 2035)

- USA:** Withdrew from Paris agreement
- Indonesia:** 56% increase above the emissions level in 2019 (38 % compared to 2024)
- India:** Reduce emissions intensity of GDP by 45 percent by 2030, from 2005 level
Did not submit 2035 target so far.
- China:** Decrease net emissions in the whole economy by 7 to 10 % against maximum level
- Japan:** Reduction of emissions by 60 % compared to 2013 level
- South Korea:** 53 to 61% reduction in net GHG emissions compared to the 2018 level
- Russia:** Reduction of emissions by 65-67% compared to 1990
- EU27:** Reduction of net GHG emissions of between 66.25-72.5% compared to 1990

Scenarios to decrease emissions until 2040



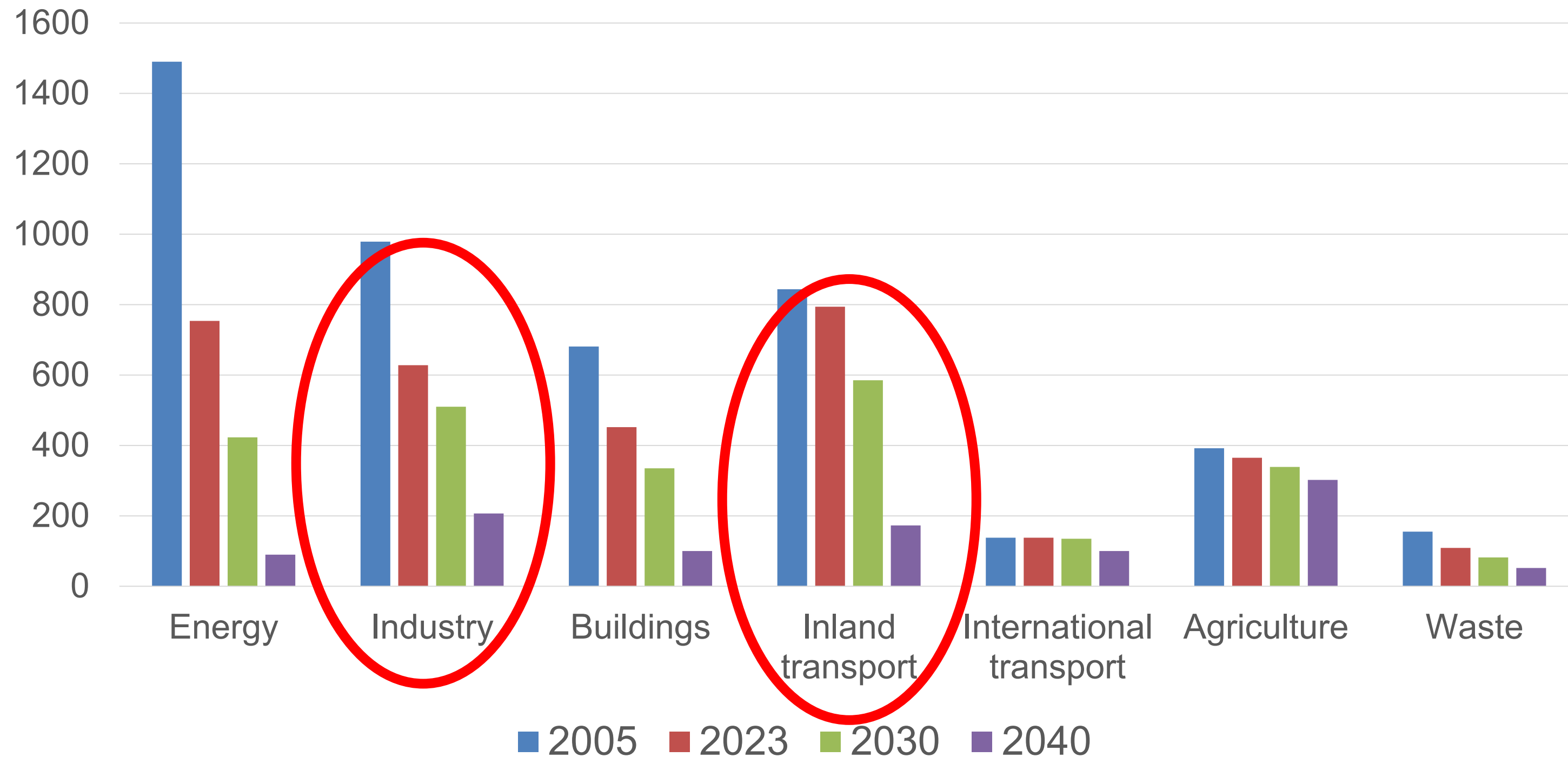
EU climate law

Regulation (EU) 2026/667 of the European Parliament and of the Council of 11 March 2026 amending Regulation (EU) 2021/1119 as regards the setting of a Union intermediate climate target for 2040

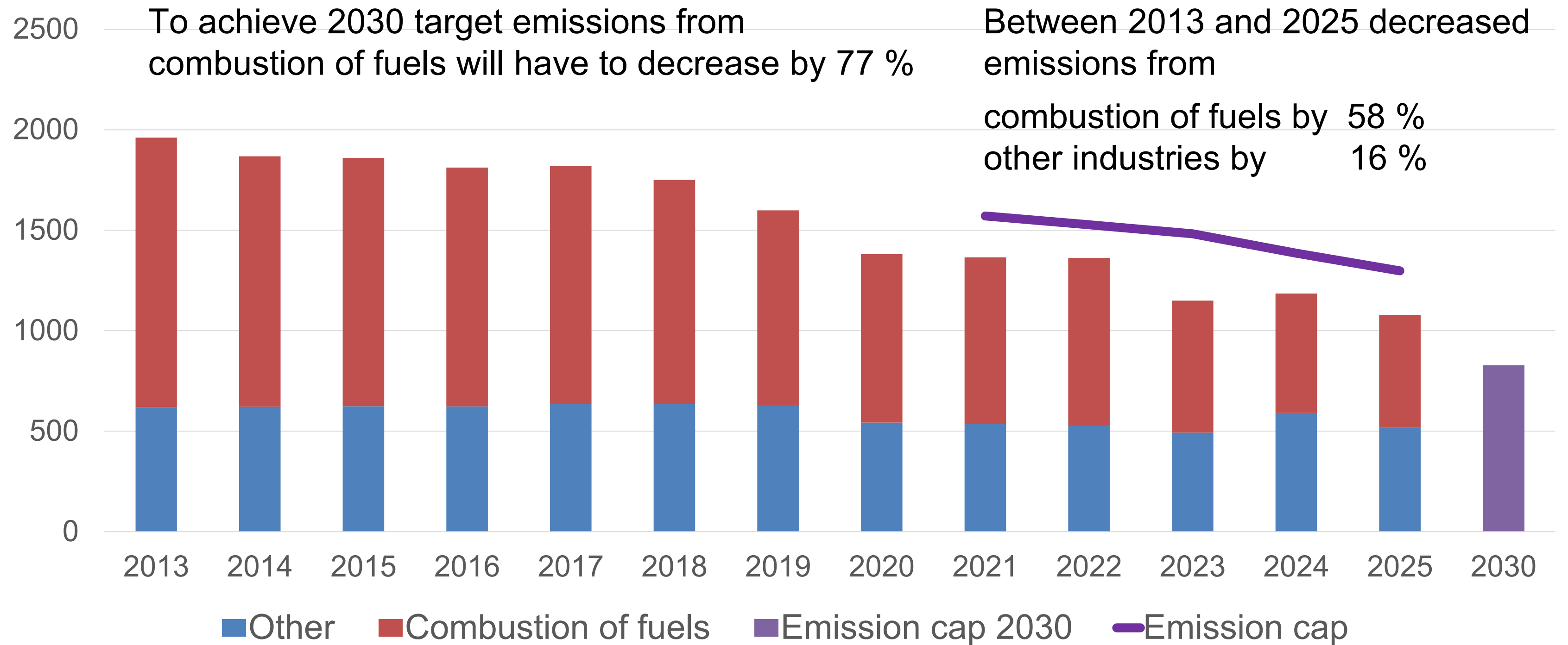
Binding Union 2040 climate target shall be a **reduction of net greenhouse gas emissions (emissions after deduction of removals) by 90 % compared to 1990 levels by 2040.**

From 2036, an adequate contribution towards the 2040 climate target of high-quality international credits under Article 6 of the Paris Agreement of up to 5 % of 1990 Union net emissions, corresponding to a domestic reduction of net greenhouse gas emissions by 85 % compared to 1990 levels by 2040.

Emissions in EU in sectors (Mt CO₂)



ETS1 verified emissions (Mt CO₂)



Glimmers of hope

Letter by Ursula von der Leyen to the Council from March 16th, 2026

The Commission will shortly adopt the **ETS benchmarks**, taking into account concerns expressed by industry. It will also present a proposal to **increase the firepower of the Market Stability Reserve**, so that it can more effectively address excessive price volatility and keep prices in check in the short term. We are also accelerating our work on the upcoming ETS revision, notably to set out a **more realistic decarbonisation trajectory** beyond 2030.

It is also clear that we have to fast-track support to energy intensive industries as they modernise and decarbonise. Anticipating the establishment of the **Industrial Decarbonization Bank**, the Commission will work on a fast-track bridging instrument, financed by ETS allowances, and with a particular focus on lower-income Member States.

Glimmers of hope

Council conclusions from March 19th 2026

Council invites the Commission to present a **review of the emissions trading system (ETS) by July 2026** at the latest, to reduce the volatility of the carbon price and mitigate its impact on electricity prices, including related supply chain costs, and on diversion of activities, while preserving the essential role of the ETS in the climate and energy transition through a market-based price signal for carbon emissions that drives investment and innovation;

Legislative proposal on MSR from April 1st, 2026

The Commission proposed an amendment to the Market Stability Reserve that will stop the invalidation mechanism, allowing surplus allowances to be kept as a buffer that can support market stability.