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powering people

Belém bound: Eurelectric views ahead of COP30

Eurelectric position paper

October 2025

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

We stand for

The vision of the European power sector is to enable and sustain:
- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

investing in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

transforming the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

accelerating the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

embedding sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

innovating to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

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WG Climate Change and Decarbonisation
Generation & Environment Committee

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KEY MESSAGES

- We welcome the announcement of the 90% emissions reduction target for 2040 as a strategic milestone for setting the EU's Nationally Determined Contribution (NDC) for 2035. As a strong supporter of the Paris Agreement, Eurelectric urges the EU to rapidly agree on these files to maintain its global climate leadership and ensure business clarity for investors.
- While the EU is taking determined steps to reach climate neutrality, it is currently responsible for only 6% of global GHG emissions. We call on other parties of the Paris Agreement to enhance their commitments to reducing GHG emissions, Otherwise, it will not be possible to limit global warming to 1.5 C in line with the common goal.
- Climate targets need to be reinforced with a coherent, practical, technology-neutral, and similarly ambitious policy framework supported by a robust NDC revision process.
- We support the further expansion of carbon pricing as an already demonstrated, direct and cost-efficient driver of decarbonisation. In Europe, CBAM addresses the concerns around carbon leakage and competitiveness, pending a corresponding CO2 price in the other major economies. The EU Emissions Trading System (EU ETS) could serve as a model, and we encourage for it to be linked with similarly designed and stringent carbon markets to create a more global carbon market.
- We acknowledge the role of carbon removals and international carbon credits, as well as proposed sectoral balancing to allow for greater flexibility in achieving the targets. Eurelectric hopes to see progress on operationalising international carbon markets under Article 6. These markets must uphold environmental integrity and transparency and address concerns of double counting of emissions reductions. We reiterate that emissions reductions and decarbonising our own energy systems in Europe must have priority and that carbon removals and international credits should only complement, not replace nor undermine, reduction efforts.
- We view trade barriers as obstacles to decarbonisation and electrification since they can impede the distribution of net-zero technologies (NZTs), which rely heavily on global supply chains.
- We emphasise the need for a just energy transition that acknowledges the concerns of industry and vulnerable communities. NDCs should jointly deliver decarbonisation, competitiveness, and social fairness to ensure that all global constituencies converge towards the common goal of limiting global warming to 1.5 C.

Background

Located at the gateway of the Amazon rainforest, in Belem, Brazil, this COP lies at the crossroads of global climate action and diplomacy. It represents a decisive moment, one carrying substantial symbolic and strategic weight.

2025 marks the publication of the 195 Parties' updated National Determined Contributions (NDCs), which will shape the next years of international climate action. Climate finance and global funding as part of the "Baku to Belem roadmap" will also be central to these upcoming negotiations, given the context of major global volatility and fragmentation.

The EU is at the heart of these shifting trends, currently contributing to 6% of total GHG emissions, its share having fallen from 15.2% in 1990. Global action is urgently needed, and the EU must deliver on its climate targets and lead by example.

Eurelectric strongly welcomed the Paris Agreement as a major step towards addressing the global climate change challenge. The Agreement signalled that the international community recognised the need to fight climate change and transition to a low-carbon world.

Good intentions, however, must be complemented by a supportive policy framework and concrete actions.

Electricity plays a major role in meeting these climate targets. 2024 marked the lowest emissions from the EU power sector with a 15% drop compared to 2023. Renewables contributed 48% of the EU power generation mix, followed by nuclear at 24% and fossil fuels at 28% – the lowest share ever. Eurelectric hopes that the power sector's decarbonisation efforts continue to gain traction hand in hand with accelerating investments to build a robust, resilient and technology-neutral energy system. At the same time this will ensure economic growth and industrial competitiveness.

Electrification, in parallel to the decarbonisation of the power sector, plays a key role in all climate scenarios. Additionally, they bring with them energy efficiency benefits, replace fossil fuels which cost the EU over 350 billion in 2023 and 2024 imports, and help resolve the increasingly pressing issue of energy security. In this context, we believe that some priorities must be put forth to effectively deliver on our climate goals.

Delivering on climate commitments: NDCs

The Paris Agreement tells us that greenhouse gas (GHG) emissions must peak before 2025 at the latest and decline 43% by 2030, to limit global warming to 1.5°C. New NDCs with pledges that keep the Paris Agreement's 1.5°C target within reach will be necessary.

Eurelectric emphasises a need for the EU to quickly agree on a 2040 GHG emissions reduction target, which should lay the groundwork for expedited publication of the EU's NDC. The NDC's emissions reduction target should be clear, ambitious, science-based and backed by robust policy guidelines and enabling conditions to accelerate the deployment of climate solutions.

These policy guidelines should include a periodic stocktaking and a dynamic pledge-and-review process to consider advances in technology, market realities, infrastructure needs, and the sustainable development trajectories for each country. National policies should foster rapid and targeted deployment of solutions.

We believe that rapid agreement on the 2040 and subsequent NDC is not only a matter of credibility, but also a prerequisite both for maintaining the EU's global climate leadership and for enabling all sectors of the economy to plan and invest accordingly. A 2035 target remains vital to provide visibility for investments in the power sector and to incentivise other countries outside the EU to increase their climate protection ambitions.

These NDCs, which should be published as soon as possible, must place electrification at their core. For Europe, all modelling shows the rate of electrification will need to reach around 50% up to 70% by 2050 to reach climate neutrality (Decarbonisation Speedways). Electrification remains the most direct, clean and effective way to decarbonise at the EU and international scale. Modernising grids, developing interconnectors and upgrading energy infrastructure in parallel to the energy transition is also central to climate trajectories.

Our support for generalised carbon pricing

A robust approach to climate diplomacy, particularly related to carbon pricing, is needed to address the intricate balance between decarbonisation, security of supply and competitiveness. Thus, Eurelectric views the EU Emissions Trading System (EU ETS) as the most important driver for emissions reductions that is direct, flexible, and cost-efficient, and encourages other constituencies to move in this direction.

Eurelectric is supportive of linking the EU ETS with neighbouring carbon markets of equivalent ambition. In particular, we encourage the EU and the United Kingdom to demonstrate their commitment by COP30 to swiftly link the EU and UK ETS systems. Such a link could support the functioning of electricity interconnections outside the European Economic Area (EEA) and demonstrate international climate cooperation. Linkages of similarly designed carbon pricing mechanisms could encourage additional countries to create their own carbon markets.

Ahead of, and in the context of COP 30, the EU should continue the work of its taskforce on international carbon pricing and markets diplomacy, to ensure the ETS community is growing and moving in the same direction. This could increase the likelihood of new parties joining the EU ETS I and thus increase market liquidity.

Concretely, we ask for the creation of detailed roadmaps for potential upcoming linking processes, ensuring they maintain the integrity of the EU ETS while supporting decarbonisation efforts globally. We firmly believe linking should remain subject to high quality requirements, including similar decarbonisation targets/trajectories, and at the same time ensure price and supply stability. The risk of carbon leakage to areas with laxer climate policies needs to be addressed. Eurelectric welcomes the introduction of the Carbon Border Adjustment Mechanism (CBAM) as an instrument to address the impact of carbon leakage in industries which engage in global or cross-border competition with third countries.

Eurelectric's view is that the EU should promote mechanisms to make domestic producers more carbon efficient, while at the same time encourage third countries to become more climate friendly. From the onset, in our position on CBAM in March 2020, we encouraged policymakers to put forward complementary policies and tools with the ultimate goal of developing a more global carbon price and market, reducing the necessity of unilateral measures.

Eurelectric support for healthy international cooperation

COP 30 sets the stage for international cooperation for climate. Eurelectric believes that trade barriers can impede the global collaboration needed to address climate change effectively. Encouraging international cooperation and the exchange of net-zero technologies is crucial for achieving climate goals.

Net-zero technologies (NZT) often rely on global supply chains, with raw materials and components sourced from various countries. In some cases, however, supply chains are concentrated in a few countries. Tariffs can disrupt these global supply chains, leading to delays, inefficiencies and increased uncertainty for project developers and investors.

By removing trade barriers, while simultaneously encouraging the decarbonisation of global supply chains, NZTs can be more easily transported and distributed worldwide with a limited carbon footprint. Widespread access to NZTs can accelerate the adoption of clean energy solutions, addressing climate change concerns on a global scale. Additionally, a global market for net-zero products helps create economies of scale, reducing overall costs and making decarbonised technologies more competitive with conventional energy sources.

Carbon removals and international credits

Eurelectric believes that carbon removals and international carbon credits can play a part in reaching the EU's climate neutrality goal for 2050. However, they should undergo careful and thorough development, evaluation, and compliance screening. Europe is already laying the foundation for a reliable use of carbon removals through the Carbon Removal and Carbon Farming Certification Framework (CRCF) as well as the limited and careful use of international carbon credits as a contribution to reaching the EU 2040 climate goal.

We believe the use of permanent, high quality CRCF removals by EU ETS regulated entities could be phased in after thorough assessment and analysis. CRCF removals' efficiency and cost-effectiveness need to be proven, as well as ensuring no distortive impacts on ETS functioning arise and that this does not delay current mitigation efforts. We seek clear and transparent policy frameworks to account for the contributions of carbon removal and differentiate between permanent and non-permanent efforts. Only carbon dioxide removal (CDR) credits from projects that lead to a permanent removal of CO2 should be considered for a potential inclusion in the EU ETS framework.

A clear and transparent policy framework could serve as a standard and inspiration to scale up efforts or even pave the road to a global framework. The EU should continue to set the standard for carbon market credibility and environmental integrity, considering the growing appetite among UNFCCC parties to use international carbon credits and transfers to achieve their climate targets.

Thus, EU negotiators should use the COP framework to sort out outstanding implementation challenges on Article 6. COP30 must deliver a breakthrough in operationalising international carbon markets to ensure that carbon credits can indeed deliver high-quality, additional, and verifiable GHG emissions reductions or removals. A pragmatic yet ambitious approach should align voluntary and compliance markets (e.g. cap and trade systems, offsetting schemes) to enhance market liquidity and economic efficiency, while ensuring the long-term availability of removals. Simultaneously, due diligence must be applied to avoid undermining credibility, weakening domestic reduction efforts, and diverting resources away from the transition.

Resolving the issues of transparency, accountability, and due diligence with international carbon credits can unlock benefits which facilitate decarbonisation. Such greater latitude could help address residual emissions that cannot be fully abated, particularly for not-heat related emissions in hard-to-abate sectors.

The need to deliver a just energy transition on the global stage

As the world accelerates its efforts to decarbonise, it is essential that no one is left behind. Eurelectric calls on Parties to place the principles of a just transition at the heart of climate action. This means supporting workers, regions and communities most affected by the shift away from fossil fuels, ensuring access to affordable clean energy, and investing in reskilling, innovation, and inclusive economic development. A successful energy transition must be not only fast, but also fair.

We believe that COP is a relevant stage to launch mechanisms that ensure a just transition where all countries, sectors and citizens are coming onboard. A global pact on reskilling of workforces to better adapt workers to the energy transition will be necessary. The Just Energy Transition must contribute to economic growth and the maintenance and creation of sustainable high-quality employment. A strong social dimension and social dialogue between trade unions and employers, but also the inclusion of social partners in the strategy setting of national and regional governments, are key elements to ensure that no worker and no region will be left behind. Eurelectric believes that the EU could set a positive example of a just transition by employing well-crafted redistributive mechanisms. European current experiences with the Modernisation Fund and upcoming allocations of the Social Climate Fund could serve as models for other global efforts.

Moreover, we call for the generalisation of partnerships such as the Just Energy Transition Partnerships (JETP) between the Global North and the Global South, which incentivise fossil fuel phase-out in partner countries. We call for this COP to be a moment to foster international cooperation among countries and remind that there is no 'one size fits all'; policies and programmes need to be designed in line with the specific conditions of countries, including their stage of development, economic sectors and types and sizes of enterprises.

Industry forms a crucial fabric for modern society and requires supportive frameworks to maintain their competitiveness during the transition to net-zero. Carbon pricing revenues, such as those from EU ETS, could be strategically directed to support modernisation, industrial, transport, and household decarbonisation, as well as storage. Additional investments in net-zero industries and the power sector should be encouraged. Done correctly, decarbonisation and electrification can strengthen industrial competitiveness by lowering input energy prices, reducing dependencies on fossil fuel imports, and guaranteeing energy security.

Placing innovation at the core of global climate cooperation

Eurelectric emphasises the crucial role that research and development, innovation, advanced clean technologies and cross-border collaboration play in the acceleration of the global transition. A robust innovation ecosystem can help unlock massive cost reductions and make the case for new business models essential to decarbonise hard-to-abate sectors.

As a concrete outcome, COP 30 should endorse and support the expansion of international R&D programmes such as Mission Innovation, launched during COP 21 by 15 countries and the European Commission. Parties should also call for dedicated green innovation funding windows under climate finance commitments such as the New Collective Quantified Goal (NCQG).

Eurelectric pursues in all its activities the application of the following sustainable development values:

Economic Development

Growth, added-value, efficiency

Environmental Leadership

- Commitment, innovation, pro-activeness

Social Responsibility

- Transparency, ethics, accountability

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