

Proposal for amending the Regulation (EU) 2021/1119 establishing the framework for achieving climate neutrality

CurrENT response to the EC's public consultation

CurrENT welcomes the European Commission's intention to propose a binding Union target for 2040 in accordance with Article 1 of the EU Climate Law, as well as the amendment of Article 4, which sets the climate target as a reduction of net greenhouse gas emissions (emissions after deduction of removals) by 90% compared to 1990 levels.

On 2 June 2025, the EU's advisory body on climate change – the European Scientific Advisory Board on Climate Change (ESABCC) – presented its science-based recommendation of reducing EU net emissions by 90–95% by 2040 through domestic action, relative to 1990 levels. Achieving this target will require a massive uptake of renewables. The costs of solar, wind, and batteries have fallen sharply in recent decades, making these technologies more competitive. Yet, there are constraints in grid infrastructure and energy system integration that hold back the full integration and benefits of renewable energy sources. To unlock the benefits of clean energy, the optimisation and integration of the EU's electricity market is essential. This means investing in interconnection and innovative grid solutions to enable higher renewable penetration, displace fossil fuels, and build a cost-effective and resilient energy system. Beyond climate goals, grid investments are central to Europe's energy security and long-term competitiveness. A more integrated and innovative electricity system can lower costs, stabilise energy prices, and strengthen the EU's resilience to external shocks and actors, while ensuring the affordability of the clean energy transition.

Delivering on these goals requires forward-looking grid planning. Since Europe's 2050 climate neutrality depends on a fully decarbonised electricity system by 2040, decisions taken today must already align with that pathway. CurrENT therefore recommends developing reference grids for 2030, 2040, and 2050, with the 2050 grid serving as the main benchmark for a fully decarbonised Europe. All intermediate grids must align with the pathway and carbon budgets set by the European Climate Law. The 2040 Ten-Year

Network Development Plan (TYNDP) should reflect what is needed for full economy-wide decarbonisation by 2050, including a fully decarbonised electricity sector well before 2040, and infrastructure capable of supporting electrification in heating, transport, and industry.

As no European grid model outlines the infrastructure needed to meet these targets, CurrENT proposes the inclusion, in the upcoming Grids Package, of a '**Grid Preparedness and Innovation Strategy**' to support resilience, modernisation, and the uptake of innovative grid technologies, and to ensure that Europe's electricity grids are ready. In this regard, the incorporation of the principles of technology neutrality, energy efficiency, and 'energy efficiency first' is a step in the right direction.

Nevertheless, CurrENT regrets that the Commission did not take into account the ESABCC's conclusion that *"using international carbon credits to meet the 2040 target risks diverting resources from domestic investments and could undermine environmental integrity"*. Introducing in Article 4 the option of offsetting in 2036 up to 3% of 1990 emissions through credits under Article 6 of the Paris Agreement could have precisely this effect.