



Statement from the Chair of the Climate Change Advisory Council following the publication of the proposed EU 2040 Targets

Date: 2 July 2025

Marie Donnelly, the Chair of the Climate Change Advisory Council, has welcomed the European Commission's proposal to target the reduction of net greenhouse gas emissions by 90% by 2040 with a view to achieving Union-wide climate-neutrality by 2050. While this will require a deep social and industrial transformation, it will improve EU and Irish energy security, industrial competitiveness and citizens' welfare, including reduced energy bills.

EU climate targets provide an opportunity to advance clean tech development, speed up the roll-out of renewables and reduce European energy imports. However, this opportunity can dissipate if policymakers fail to coordinate and implement policies. The Council has repeatedly stressed that the phase out of fossil fuels, which is both necessary and achievable, is critical to the reduction of emissions in Ireland and has called for the speedy reduction of fossil fuel subsidies.

In its recent advice on the carbon budgets to 2040 for Ireland, the Council has taken account of existing European targets and the advice of the European Scientific Advisory Board.

"Ireland must deliver on its EU agreements and targets through the rapid reduction of our emissions, across all sectors," said Marie Donnelly.

"The opportunity, and the cheapest time to act is now. Diverting funds from other areas in order to pay our way out of inaction instead of immediate critical investment will compound this issue instead of working to solve it."

Europe is the fastest-warming continent that is currently experiencing a widespread heat dome and is accompanied by increased climate hazards. Today, only a quarter of economic losses are insured across the EU¹. Achieving this target will need to ensure the integration of just transition principles and a plan for increased action on adaptation to support resilience in the EU.

However, the proposed use of international carbon credits from 2036 under Article 6 of the Paris Agreement that can potentially be employed in achieving up to 3% of this target does raise concerns about ensuring any such use of credits meets high criteria for integrity and does not slow the pace of emissions reductions in Europe.

¹[https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/772867/EPRS_BRI\(2025\)772867_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/772867/EPRS_BRI(2025)772867_EN.pdf)

Ireland has a responsibility to deliver on its share of emissions reductions not just to its EU partners and wider global community but to the people of Ireland in transitioning to a climate resilient, biodiversity rich, environmentally sustainable, and climate neutral economy by 2050.

Earlier this year, the Climate Change Advisory Council in conjunction with the Irish Fiscal Advisory Council published a report on the cost of compliance against EU climate commitment. The report stated that Ireland could potentially have to pay between €8 and €26 billion to its EU partners to comply with its responsibilities.

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