



Dear Dr. Jose A. Herrera,

We are writing you in light of the Environment Council on 19 June where the EU's largest climate law, the Effort Sharing Regulation (ESR), will be discussed. If ambitious enough, this law can play a crucial role in the decarbonization of our economy and an improvement of our wellbeing. As you will chair this meeting, we count on you to steer discussions toward the strengthening of the ESR. Your efforts to improve this law are also critical to ensure that the EU delivers on the Paris Agreement commitments and takes effective and ambitious action to limit global warming to 1.5°C.

The rapid ratification of the Paris Agreement showed the world that Europe is able to act swiftly and boldly on climate change. All eyes are now on how this historic climate deal will be implemented and translated into domestic action. Europe's contribution to this global effort will be determined, in large part, by the Effort Sharing Regulation (ESR), that covers the majority of the EU's total emissions. If designed correctly, the ESR can help secure the climate friendly transformation of our society and lead to more liveable cities, cleaner air, reduced energy poverty and the creation of jobs.

As the ESR proposal stands now, however, it is not consistent with the long-term commitments made in the Paris Agreement, which would require a more substantial overhaul of EU climate and energy policies. Raising the ambition in this law is of utmost importance to give investors in Europe and in Malta certainty to make the necessary investments into the zero carbon transition that is the future of job creation, wellbeing and prosperity for citizens.

In order to take advantage of these benefits, we therefore urge you to support the following in relation to the ESR:

1. **A higher 2030 climate target and an ambitious 2050 objective.** The ESR must set Europe on a path to meet the Paris Agreement goals. To do so, the legislation must set out a trajectory to reach at least 95% emission cuts by 2050 supported by, at a minimum, a 47% reduction in the ESR sectors by 2030.
2. **A starting point that reflects actual emissions and does not reward countries for underachieving.** To ensure enough emissions are reduced under the ESR, the level from which reductions are counted must represent actual emissions. The proposal currently sets a misleading baseline, which will allow countries to pollute more and even continue with business-as-usual.
3. **Remove the forestry loophole** that allows countries to use non-permanent forestry credits to allow more greenhouse gas emissions elsewhere and **remove the ETS (emissions trading system) loophole** that allows countries to exploit the ETS surplus to undermine climate action in the non-traded sectors.

4. **A better governance system** which includes yearly compliance checks, and financial penalties in the case of non-compliance. This will help ensure that countries do not postpone the required action to meet the annual climate targets.
5. **A review clause** which allow for ambition to be raised over time, as the EU submits a new 2030 climate target to the United Nations Framework Convention on Climate Change
6. **Reject the “safety reserve” proposal** that introduces more hot air into the system and deters countries from implementing new climate actions.

On the 19 June you will also discuss the proposal for how to regulate emissions and removals from and the land use, land use change and forestry (**LULUCF**). Securing robust accounting rules for LULUCF will be vital for the EU’s continued leadership on climate action. It will also safeguard healthy forests and biodiverse landscapes for Europe’s citizens to enjoy for centuries to come.

We hope you will be able to take these urgent calls into account during the negotiations on the ESR and LULUCF Regulations, and count on you to secure higher ambition in these legislative files. For the protection of our planet and the wellbeing of Malta’s and Europe’s citizens.

Yours sincerely,

Birdlife Europe
CAN Europe,
Carbon Market Watch,
Fern
IFOAM EU
Transport and Environment
Zero Waste Europe