Media Briefing

CAN Europe at #COP28

#EndFossilFuels #FastFairForever

How can Europe lead fair negotiations, bridging gaps in commitments, and steering global efforts toward the 1.5°C target?

November 2023
INTRODUCTION

As the world grapples with the repercussions of a year marked by unprecedented climate events, the international community turns its gaze towards the United Nations conference in the UAE, less than two weeks away. Against the backdrop of record-breaking global temperatures and extreme weather worldwide, including Greek wildfires and Libyan floods intensified by global warming, the urgency of tackling the climate crisis is more pressing than ever.

IMPORTANCE OF COP28

COP28 holds particular significance as it hosts the inaugural Global Stocktake, a five-yearly assessment crucial for evaluating global progress in mitigating climate change under the Paris Agreement. This year’s conference is hosted by the UAE on behalf of the Asia-Pacific Group, an oil and gas producing country with one of the world’s highest emissions rates per capita, putting a spotlight on issues of fossil fuel production, phaseout, and just transition.

The controversial appointment of Sultan Al Jaber, managing director of the Abu Dhabi National Oil Company, as the Presidency Designate, amplifies concerns about potential conflicts of interest.

COP28 is kicking off amid the escalating conflict in Gaza and Israel, following Hamas’ attacks and a response by Israeli forces, resulting in significant humanitarian impacts and casualties. In response CAN has called for a ceasefire, the protection of civilians, and adherence to humanitarian law.

In this challenging geopolitical landscape, the EU is called upon to demonstrate leadership among developed nations, fostering climate ambition and upholding commitments to global climate justice.

EUROPE’S PIVOTAL ROLE

The EU negotiates as a block at the UNFCCC. The Council, supported by the Commission, has outlined its position and priorities via the following agreements by EU Ministers:

- Environment Council Conclusions on COP28 on 16 October
- Economic and Financial Affairs Council (ECOFIN) Conclusions on Climate Finance on 17 October

In addition, the European Parliament, while it does not have formal negotiating power at UNFCCC, does send a delegation to the COP and has begun the process of adopting a resolution, starting with the Committee on the Environment, Public Health and Food Safety Resolution on 7 November on COP28. This Resolution, significantly more ambitious than the Environment Council and ECOFIN Council conclusions in areas such as climate finance, loss and damage, moving away from fossil fuels, and the EU’s own mitigation, will be put to a vote during the plenary session on 21 November.

This COP, the EU needs to uphold its commitments to international environmental justice and put human rights and CSO participation at the centre. The EU should seek to build stronger alliances with partner countries, especially climate vulnerable ones, through equitable approaches to the Global Stocktake, mitigation and energy goals, loss and damage, adaptation and finance and seek synergies between them.

As we navigate the convoluted landscape of COP28, Europe’s role stands at the crossroads of rhetoric and reality. In a world grappling with climate crises, it’s time for the EU to walk its talk, step beyond the shadows of conflicting interests, and forge a path that aligns with global equity and the urgency demanded by science.

- Chiara Martinelli, Director, Climate Action Network (CAN) Europe
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GLOBAL STOCKTAKE

The Global Stocktake (GST), a crucial procedure under the Paris Agreement, is our planet’s five-year climate health check, assessing global progress in curbing temperature rise to maintain it below 1.5°C.

The EU has stated clearly that the Global Stocktake should set out pathways that keep the 1.5°C limit within reach. However, the EU's own domestic actions still fall short, including on fossil fuel phaseout, scaling up renewables and energy savings in line with a just transition, emissions reductions, and shifting all financial flows, as well as scaling up finance provision to developing countries. We urge the EU to support an outcome of the stocktake grounded in science, and a recognition that it needs to do more to align climate action and finance with its historical responsibilities, capacity as a wealthy economy and global justice.

With the provisions in the EU climate law that a proposal for a 2040 target be made by the European Commission no later than 6 months following the GST, we urge the Commission, its new Climate Commissioner Wopke Hoekstra, and all Member States to work towards a 2nd NDC (Nationally Determined Contribution) committing to reach net zero emissions by 2040 at the latest, with a sufficiently ambitious reduction target for 2035.

EMISSIONS REDUCTIONS COMMITMENTS

The world has already warmed up to 1.2°C and we are heading to a 2.7°C increase by the end of the century. Time and time again, science and multiple scenarios show that it is not only feasible to limit temperature rise to 1.5°C but also that doing so comes with co-benefits.

To have a fair chance of limiting warming to 1.5°C, global greenhouse gas emissions must peak before 2025 at the latest and be reduced by at least 43% by 2030 and by at least 60% by 2035, compared to 2019 levels. Current collective pledges still fall alarmingly short. All Parties to the UNFCCC should increase their NDCs to close the “emissions gaps” and “implementation gaps”.

At COP26 and COP27, all Parties to the Paris Agreement, including the EU, committed “to revisit and strengthen the 2030 targets in their Nationally Determined Contributions (NDCs) as necessary”.

In light of the conclusion of its domestic climate and energy policy framework under the ‘Fit For 55’ package, the EU is now expected to slightly overshoot its current commitment and achieve at least -57% net emission cuts by 2030, compared to 1990 levels. However, to represent its fair share, the EU as a major historic emitter and wealthy economy should achieve at least -65% gross or -76% net emission reductions by 2030.

For the EU’s climate targets, this means the EU needs to commit to substantially overshoot its current target of -55% net emission cuts and achieve at least -65% gross, or -76% net emission cuts by 2030 and net zero emissions no later than by 2040.

- Sven Harmeling, International Climate Policy Coordinator, Climate Action Network (CAN) Europe

DID YOU KNOW?
The first-ever GST is set to conclude at COP28.
The EU has agreed to its COP28 position: advocating for a global phaseout of unabated fossil fuels, with a peak in their consumption this decade. However, calling for the phaseout of ‘unabated’ fossil fuels rather than a full phaseout of all fossil fuels leaves open loopholes to continue using fossil fuels if certain measures are taken to reduce the intensity of their greenhouse gas emissions. Currently, there is no clear definition of abatement, and the technologies being promoted for abatement such as carbon capture and storage are yet unproven at the scale needed to have a significant impact. At the Pre-COP, several EU countries signed on to the Higher Ambition Coalition statement on a fossil fuel phase-out, but others declined to do so, which is very worrying.

The EU must further stress that emission abatement technologies which do not significantly harm the environment, exist at a limited scale and are to be used to reduce emissions mainly from hard to abate sectors. This means no abatement in the power sector. At COP28, the EU must further emphasise the limited role of abatement technologies by stating that global targets on renewables and energy efficiency should go hand in hand with the full and swift phase-out of fossil fuel energy production and consumption.

In Dubai, in line with the 1.5°C temperature limit, all Parties should agree to a rapid, just and equitable global phase-out of fossil fuels in all sectors by 2050 at the latest. For the EU, this means coal must be phased out no later than 2030, fossil gas no later than 2035 and oil at the latest by 2040.

As part of the much-needed, just global energy transition, the EU must also back up its verbal support for developing countries with strong financial commitments to accelerate the shift to a people-centered, fully renewable energy system.

The European Climate Commissioner has indicated that he will announce a financial contribution in support of the COP28 Renewable Energy and Energy Efficiency pledge during the World Climate Action Summit. This would come from EU budget financing, and there is a risk this will involve repackaging previously announced Global Gateway energy initiatives. It will be important that any new announcement sets out how a project will deliver for communities on energy access and just transition and does not load developing countries with debt.

In addition, it will be crucial to advance the Mitigation Work Programme (MWP), agree on its next steps for 2024 and use its ministerial meeting to highlight the need for fossil fuel phase out, increased investments, and financial support for mitigation in developing countries. The EU can also leverage the MWP to advance discussions on Article 2.1c while stressing that this does not undermine developed countries’ climate finance obligations (see further below).

While the EU called for a global phaseout of unabated fossil fuels, it’s important to note that the EU emphasised the limited role of abatement technologies only for hard to abate industry sectors. At COP28, in line with the 1.5°C temperature limit by 2050, all Parties should agree to a rapid, just and equitable global phase-out of fossil fuels in all sectors by 2050 at the latest, which should go hand in hand with a rapid scaling up of renewable energy and increased efforts on energy savings. For the EU, this means coal must be phased out no later than 2030, fossil gas no later than 2035 and oil at the latest by 2040.

As part of the much-needed, just global energy transition, the EU must furthermore back up its verbal support for developing countries with strong financial commitments to accelerate the shift to a people-centered, fully renewable energy system.

- Chiara Martinelli, Director, Climate Action Network (CAN) Europe
The current international financial architecture is not fit to address the climate crisis. Developed countries’ collective failure on climate finance commitments to developing countries is having devastating impacts on underrepresented people, increasing inequalities and poverty, as well as weakening global climate action on mitigation, adaptation, and loss and damage, and hindering progress on the negotiations as a whole. There is a growing gap between the climate finance needs of developing country Parties and the current scale, sufficiency and access to climate finance - this urgently needs correcting and the GST must play a role in setting the finance trajectory on the right path.

Developed countries have not delivered on the $100 billion annual climate finance commitment for 2020-25, made more than a decade ago, and concerns remain about reaching it in 2023, even using contributor led methodologies which inflate figures.

Latest data from the OECD (which uses developed country led methodologies inflating figures) shows that climate finance only hit $89.6 billion in 2021 and that Adaptation finance dropped by $4 billion (-14%) in 2021, resulting in a decrease in its share of total climate finance from 34% to 27%, although cross-cutting mitigation/adaptation did increase.

The EU’s annual climate finance for 2022 will be released shortly; with the first drop in EU climate finance in 2021, this year’s figures will be hugely important for providing reassurance of commitment to the $100 billion from the world’s largest collective climate finance contributor.

The $100 billion commitment should be met on average over 2020-25, making up for shortfalls in the early years of the obligation. To ensure the collective commitment is met, the EU should scale up new and additional climate finance in the form of grants and highly concessional finance. In their COP28 position, EU Environment Ministers committed to be at the forefront of increasing adaptation finance.

The EU should ensure it delivers at least 50% of its contribution to the $100 billion as adaptation finance, prioritising grants, and play a leadership role at COP28 amongst developed countries, who must clarify their plans to ensure the commitment made at COP26 to double adaptation finance in 2025, on 2019 levels, will be met.

The UNFCCC funds are important channels for this finance: many EU Member States have already pledged to the 2nd Green Climate Fund (GCF) replenishment. Civil society calls for the 2nd replenishment to achieve a collective doubling of GCF1 pledges. A few key EU Member States, including Sweden and Italy, remain to pledge, and we can expect these at COP28.

Lessons must be learnt from the $100 billion annual climate finance commitment to inform the development of an ambitious new climate finance goal that responds to needs and science. The EU should play a constructive role in the negotiations on the new post-2025 climate finance goal and ensure progress is banked at COP28 to prevent a scramble to finish negotiations at COP29. The EU’s acknowledgement of public finance’s significance in its COP28 position is crucial. The EU should now support a goal that recognises developed country obligations and support a core public finance contribution that is truly new and additional to ODA (Official Development Assistance), and a matrix of sub-goals for mitigation, adaptation and loss and damage, with additional mobilisation goals.

“The EU has committed to be at the forefront of increasing adaptation finance, and ahead of COP28, has given signals of incoming pledges to the Loss and Damage Fund. However, the EU still needs to get its house in order on climate finance and listen to the climate-vulnerable countries and civil society. Overall, they lack a clear and comprehensive plan on how to scale up equitable climate finance in line with global justice, which is essential for results at COP28.

At COP28 we want to see the EU acting as a leader amongst developed countries to drive forward ambition on increasing and improving public climate finance and setting up a Loss and Damage Fund that can deliver adequately for the countries and communities who need it.

- Rachel Simon, International Climate Finance Policy Coordinator, Climate Action Network (CAN) Europe

Developed countries, particularly the EU, must fulfill the $100 billion annual climate finance commitment.
NEGOTIATIONS

LOSS AND DAMAGE FUND

Following the historic decision at COP27 to establish a fund and new funding arrangements for responding to loss and damage, a Transitional Committee drew up recommendations for consideration and adoption at COP28 and the meeting of the Parties to the Paris Agreement (CMA5). The agreement reached in the fifth and final Transitional Committee on 4 November falls far short of what CAN has been asking for.

The USA played a particularly damaging role, but developed countries overall pressured developing countries to accept a set of recommendations that do not adhere to basic principles of climate justice and equity. While some EU members of the committee were more constructive, we did not witness the EU playing a meaningful role in building bridges with developing countries to find more climate just solutions. At COP28, the EU must stop hiding behind the US and apply pressure on both the US and other developed countries.

The text of recommendations, including the governing instrument that will be presented at COP28, includes the following main problems:

- There is no obligation for developed countries to contribute to the fund;
- The World Bank, an undemocratic institution primarily led by developing countries, is set to be the interim host for the fund, but there is no clear strategy for its eventual transition;
- There is no reference to the scale of funding required to address loss and damage adequately;
- The governing instrument lacks any mention of human rights and rather, in the objectives and purpose speaks of a “culturally sensitive and gender responsive approach”;
- Apart from government contributions, there is no clarity on the type of new sources of finance needed in the longer term to scale up the fund.

However, this is now on the table as the consensus that Transitional Committee members were able to achieve and which would suffice to get the Loss and Damage Fund off the ground. Therefore, Climate Action Network has agreed, for the moment, to push for improvements in related COP decisions (including the Global Stocktake and New Collective Quantified Goal on Climate Finance), rather than opening up the governing instrument itself.

The new European Climate Commissioner has indicated that the EU could collectively pledge at COP28. EU Member States and the European Commission should be ready to make significant multi-year pledges at a scale of billions of USD to the new Loss and Damage fund by or at COP28. Finance should be new and additional public funding in the form of grants, otherwise, it will detract from other much-needed development and climate needs. Pledges should not be conditional on other outcomes at COP28.

There is also an urgent need for new or so-called ‘innovative’ resources for the Loss and Damage Fund and Parties will also consider these for the new collective quantified goal (see above). In their COP28 position, EU Environment Ministers committed to identifying new and innovative sources of funding, including from the fossil fuel sector, to support the most vulnerable countries in mitigating and building resilience against climate change. That commitment is welcome but requires a clear strategy to put words into action.

The EU should support the introduction of global, EU and national taxes and levies, which contribute to Paris Agreement objectives, according to the Polluter Pays Principle and are designed around global and social equity. EU Member States can already contribute an increased share of revenues from the ETS and the revised ETS. They can also support new forms of fossil fuel taxation, aviation and maritime taxation and levies, an EU financial transaction tax, and wealth taxes. A portion of the revenues from these measures should be dedicated to new and additional climate finance.

Parties also need to decide on a Host for the Santiago Network, a previously agreed technical assistance body for loss and damage, and provide necessary support for its operationalisation.
BEYOND NEGOTIATIONS

A FOSSIL WINTER

Followed by another summer marred by extreme weather events, winter sets in as the haunting shadow of the fossil fuel crisis looms large once again. The past few years have exposed Europe’s and the globe’s dangerous addiction to fossil fuels - a dependence that not only jeopardises Europe’s energy security and pushes many Europeans into energy poverty but also harms the climate and our future. From phasing out fossil fuels to prioritising renewables and energy savings, a resilient energy system is possible. Here’s how we can get there.

EXPOSING THE FOSSIL FUEL MENACE: EU’S INVOLVEMENT

A chilling new report released by a broad coalition of civil society organisations led by CAN Europe and Friends of the Earth Europe reveals that at least 107 out of 425 of the world’s biggest fossil fuel extraction projects are operated by EU-based companies such as Total Energies, Shell, RWE, and ENI or financed by major European banks.

These fossil-fuel projects, known as “Carbon Bombs,” have profound climate-damaging impacts, as the combined total projected emissions of these 107 EU-linked carbon bombs, once extracted and burned, amount to 333.9 gigatons of CO2 (GtCO2). That is 9 times the total emissions of the entire world in 2021 and 17 times the total emissions that the EU is allowed to until 2030.

The involvement of EU companies in these climate-destructive projects undermines the EU’s goal to reduce its greenhouse gas emissions by 55% by 2030, as a large part of this CO2 comes back to the EU as scope 3 emissions.

The number and intensity of these gigantic fossil fuel projects are shocking and clearly show that existing voluntary corporate commitments are insufficient. Fossil fuel companies are deceiving the public with their greenwashed strategies, while they keep making record profits on climate breakdown. Their destructive business model must be put to an end. In the absence of robust due diligence, a harrowing worst-case scenario continues, where social and environmental catastrophes go unchecked, particularly at the costs of the Global South.

- Chiara Martinelli, Director, Climate Action Network (CAN) Europe

MOBILISATION

While international talks shape the policy landscape, grassroots movements play a crucial role, advocating for sustainable practices and building community resilience in the face of the climate crisis. As COP unfolds, various events and actions are set to take place in Dubai and online. More information on these will be regularly updated here.

SIDE EVENTS

- 30/11 (14:45): Stakeholders’ Practice and Prospect for Meeting Climate Targets, China Pavillion
- 3/12 (9:30): Energy Community Secretariat on NECPs, EU Pavilion
- 4/12 (15:00): Bridging Loss and Damage across Humanitarian and Development sectors: Disaster Response to Resilient Recovery, Side Event Room 2
- 5/12 (18:30): Fuelling the Climate Crisis in the Name of Development, German Pavilion
- 5/12 (20:00): Fossil Fuel Phase Out Drinks, German Pavilion
- 6/12 (16:00): Campaigners Webinar, Online
- 8/12 (16:45): Headway for Adaptation, Side Event Room 5
- 9/12 (14:00): Renewable Energy Sources and Nature
- 9/12 (15:15): Implementing the Loss and Damage Fund in Practice, Danish Pavilion
- 9/12 (TBC): Faith in Action for Climate Justice in Addressing Loss and Damage, Faith Pavilion
- 10/12 (16:45): Open Dialogue as a Tool for Climate Action

ACTIONS

- 3/12: Action on Human Rights
- 5/12: End Fossil Fuels Action
- 4/12 & 6/12: Action on Loss & Damage
- 9/12: People’s March
- 11/12: People’s Plenary
A delegation of CAN Europe will attend COP28 in Dubai. If you have requests, or questions or you would like informal chats with CAN Europe’s director or policy experts, either in Dubai or remotely, don’t hesitate to get in touch. Please let us know if you will be in Dubai, and feel free to share your phone number for Signal, WhatsApp, or Telegram.

List of Available Spokespersons during COP28 & PRE-COP (regularly updated)

For any further questions and inquiries please contact:

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