



8 March 2024

## Recommendations for the Foreign Affairs Council Conclusions on Green Diplomacy

*Climate Action Network (CAN) Europe is Europe's leading NGO coalition fighting dangerous climate change. With over 185 member organisations active in 38 European countries, representing over 1,700 NGOs and more than 40 million citizens, CAN Europe promotes sustainable climate, energy and development policies throughout Europe.*

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### To: European Ministers for Foreign Affairs

Dear EU Ministers for Foreign Affairs,

ahead of the Foreign Affairs Council (FAC) on 18 March, where you will discuss and likely adopt climate and energy diplomacy conclusions, we bring to your attention the message of the largest environment and development civil society network in Europe. We encourage you to adopt bold and ambitious conclusions to signal that the EU will fully and convincingly orient its diplomacy towards upscaled, *inclusive, gender-just climate and energy action centered on significant provision of needed resources for partners' efforts to adapt to, mitigate and address climate impacts*. Renewed and innovative efforts are urgently needed *in light of the multiple, interlinked crises of climate emergency, debt distress, biodiversity loss, food insecurity, conflicts, poverty and humanitarian suffering in particular in the most climate vulnerable countries and regions in the Global South, and the urgent need to ramp up action as we are almost halfway through this critical decade*.

### **Commit to phase-out all fossil fuels, end fossil fuel finance and commit to EU's fair share of limiting temperature rise to 1.5°C**

- We welcome steps towards implementing COP28 decision on transitioning away from fossil fuels and tripling renewable energy/doubling energy efficiency, for example through mainstreaming in NDCs; clear messaging is needed that a *fully* decarbonised global energy system based on 100% renewable energies and the phasing out of fossil fuel use is needed, and not only signal a decline; emission reductions have to be key priority, CCUS comes with significant costs, environmental and social risks and should be limited to the absolute minimum only in hard-to-abate situations, not for fossil fuels.
- Based on the above, it is also critical that the FAC conclusions reflect a clear commitment by the EU to support and work with partner countries towards integrating concrete fossil fuel phase-out plans in their next NDCs which are due for submission no later than early 2025.

- For the EU's fair share in mitigation we need at least 65% reductions by 2030 and climate neutrality by 2040; a 2040 target of 90% (not even including an "at least"), as proposed by the European Commission, is in CAN's view NOT in line with the ESABCC recommendations of 90-95% and is hardly more ambitious than the business as usual with current policies (88% according to EC).
- The EU needs to adopt a fossil fuel phase out strategy with a coal phase out by 2030, fossil gas by 2035 and oil phase out by 2040, and also stop fossil fuel exploration on its territories.
- We welcome calls by the EU to end fossil fuel subsidies as soon as possible, but would like to see the EU make a clear commitment and publishes a roadmap to do so by 2025 in line with the G7 commitment (and develop respective action plans) to strengthen the credibility of its demands to others, and cooperate with other countries to help to do so as quickly as possible.
- Following the [European Parliament calls](#) to the EC and Member States, the EU needs to explore the role of and its contribution to a fossil fuel non proliferation treaty, this is currently missing from the FAC.

**Massively scale up new, additional, innovative public climate finance to developing countries and shift financial flows away from harmful activities to accelerate equitable climate action**

The financing gap is growing between climate finance needs and funding available, especially in developing countries and climate vulnerable areas. International climate finance agreements and pledges in 2024 will be critical to enable many countries to deliver enhanced Nationally Determined Contributions (NDCs) due in 2025. The FAC conclusions must reflect that the EU is serious about transforming the global financial system to enable the world to reach the Paris Agreement goals and bring everyone along including by:

- Develop a credible roadmap to demonstrate the EU's effort to implement the COP26 collective **adaptation finance** doubling commitment (by 2025). We call on the EU to adopt such a roadmap and make up for the shortfall of past years by 2024 and 2025. In the FAC, the EU could at a minimum state that it will contribute constructively to responding to the COP28 decision to produce a report on the doubling of adaptation finance (GST decision para 100).
- 100bn: it is concerning that the conclusions do not reflect the lack of delivery of the 100bn USD by 2020, as originally promised. It is critical that developed countries commit to making good for the late delivery which for 2020 and 2021 has led to a gap of USD 28.1 bn according to OECD assessments, noting that the 100bn goal has never been adequate in terms of the needs in developing countries. **The Council should call on all concerned countries to step up their efforts in this regard in order to fully deliver on the 100 billion on average between 2020 and 2025 in order to enable developing countries climate action, also in light of the importance of building trust between parties and generally in the credibility of the Paris agreement.**
- New Collective Quantified Goal (NCQG): we support a clear commitment for public finance from developed countries to be at the core of the NCQG, in line with their obligations under Article 9.1 and 9.3 of the Paris Agreement and decision 1/CP.21, para 53., and the Council should clearly

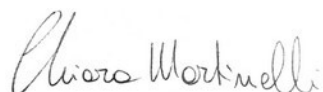
reflect that commitment, while encouraging contributions from other countries and sources as well that would be additional to the core provision of grants-based public climate finance particularly for adaptation and loss and damage finance.

- EU efforts to advance on **Article 2.1c/shifting of financial flows** towards an equitable fossil fuel and fossil fuel subsidies phase out are welcomed and should be, together with the development of new taxation, at the forefront of discussions on the scope and operationalisation of article 2.1. So far Article 2.1c discussions have failed to create an environment of trust in the negotiations. The EU itself has many challenges in shifting financial flows despite its developed economy status and specific strategies and regulations dedicated to the objective. This space (Sharm el Sheikh Dialogue and discussions under SCF) could thus be used to rebuild trust among Parties on this fundamental provision and mature common understanding and approaches for future decisions.
- It is important for the EU to make clear that 2.1c work will not undermine the provision of public finance. The Council should at least reiterate the respective language from the ENVI COP28 conclusions.
- The Council should call for additional, new and innovative sources of finance (in particular grant finance), including from the fossil fuel and other high emission sectors, with a view to increasing support to particularly vulnerable countries and communities complementing public finance from developed countries; CAN Europe published a [report](#) in 2023 analyzing potential sources including options which the EU can take forward.
- We see **debt burdens** as a key impediment to climate action in the Global South. Building on the GST outcome, finance negotiations inside and outside the UNFCCC are a great opportunity to establish a new dominantly debt-free climate finance architecture. Further indebting developing countries in their fight against climate change is both morally questionable and inefficient given the climate-debt trap.

#### **Strengthen gender-just, feminist and inclusive aspects of the EU's climate and energy diplomacy**

- CAN Europe supports an EU commitment to uphold, promote and protect gender equality and women's empowerment, but the Council should go beyond just reiterating old language. It should call on the institutions involved in the EU's diplomacy and cooperation, at all levels, to work towards increasing the active and significant participation of women and marginalised groups in all their diversity in decision-making, strengthening feminist, gender and social inclusion aspects in specific finance instruments, including for the Global Gateway implementation, and strengthen gender equality aspects in monitoring and data collection.

Yours sincerely,



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