



Climate Action Network International CAN Position: Energy Ambition in NDCs June 2019

Climate Action Network (CAN) is the world's largest network of civil society organizations working together to promote government action to address the climate crisis, with more than 1300 members in over 120 countries.

www.climatenetwork.org

Energy Ambition in NDCs: **100% Renewable Energy – Strong Energy Efficiency – Stop New Fossil Fuels**

The world has no time to waste to fully implement the Paris Agreement. Current Nationally Determined Contributions (NDCs) unacceptably will lead to above 3°C of warming – a death sentence for many communities, species and our ecosystems.¹ To respond to the climate emergency in 2019 and in accordance with Articles 2 and 4 of the Paris Agreement, Parties must enhance the ambition of NDCs to put the world on track to limit global warming to 1.5°C.

Fossil fuels were responsible for about three quarters of all GHG emissions in 2018 and power the bulk of final energy demand, while modern renewable energy constitutes a mere 11%. A key way to raise NDC ambition is to commit to the rapid energy transformation required to cut global emissions by 50% by 2030 and reach net-zero emissions by 2050, in line with the recent IPCC 1.5°C Special Report.² A transformational change in the production and consumption patterns of energy, including increasing energy efficiency and lowering unsustainable demand by rich countries, is pivotal to evade an ecological breakdown.³ **A rapid and just energy transition hinges on unprecedented political will – to equitably shift each country's economy from fossil fuels to renewable energy.**

Enhanced NDCs, and complementary Long-Term Strategies, should incorporate concrete plans to:

1. Power all sectors, including electricity, transportation, industry and heat, with **100% clean and renewable energy as soon as possible and no later than 2050** – and explicitly include ambitious **2030 commitments necessary to achieve the 100% renewable energy target, including domestic legislation.** Such commitments should dramatically increase renewable energy deployment in the energy mix, particularly all forms of solar, wind and geothermal, significantly electrify transportation, and implement bold energy efficiency and energy reduction measures.

¹ Climate Action Tracker, "[G]overnments amble towards 3°C of warming," December 2018, <https://climateactiontracker.org/publications/warming-projections-global-update-dec-2018/>.

² IPCC, "Summary for Policymakers," In: *Global Warming of 1.5°C*, 2018, <https://www.ipcc.ch/sr15/chapter/summary-for-policy-makers>. The summary indicates a 45% cut in CO₂ by 2030 below 2010 levels; CO₂ levels have risen since 2010, requiring faster cuts.

³ IPBES, "Summary for Policymakers," In: *Global Assessment Report on Biodiversity and Ecosystem Services*, 2019, <https://www.ipbes.net/news/ipbes-global-assessment-summary-policymakers-pdf>.

2. **Cease new oil, gas, and coal exploration and development immediately** (i.e., bans on leasing, contracts, or permits to explore for fossil fuels, drill exploratory wells, and build linked infrastructure); and set **targets for significant reductions in global fossil fuel production and export by 2030**, with wealthy countries moving first and fastest to phase out extraction.
3. Ensure a **just, fair, and equitable transition** from fossil fuels to a clean and renewable energy mix, with sufficient investment to support affected workers and communities.

While wealthier countries have a responsibility to lead, it is relevant and beneficial for all countries – including those already showing leadership on renewable deployment and fossil fuel limits – to include their energy transition plans in their NDCs and Long-Term Strategies. In the case of Least Developed Countries, enhanced information on existing plans and targets will further clarify the need for support.

At SB50, Parties will discuss the scope of the next periodic review of the UNFCCC’s long-term global goal and of overall progress towards achieving it. The next periodic review must include information related to synergies and opportunities for Parties to develop ambitious pathways, legislation and policies to implement 100% renewable energy targets, increase energy efficiency, reduce energy demand, and manage the phase-out of fossil fuel extraction and infrastructure at the domestic level. We also encourage Parties to ensure coherence between the review and the Global Stocktake under the Paris Agreement.

Power Electricity, Heating, Industry and Transportation with 100% Renewable Energy

While electricity is one of the largest GHG-emitting sectors globally, it is also one of the easiest to decarbonize by replacing fossil fuel-burning power stations with renewable energy generators. The technology to power economies with renewable and clean energy sources is available now; solar and wind energy are currently cheaper than gas and coal in most markets and create more jobs per dollar of investment.⁴ And the costs of renewable technologies are expected to decrease further. Studies show that existing renewable technology can power 100% of global economies by 2050 in line with IPCC conclusions.⁵

Moreover, transforming electricity to be fueled by 100% clean and renewable energy means that other carbon-intensive sectors, like transportation and heating, can also rapidly decarbonize through electrification.⁶ And for the 1 billion people who still lack access to electricity, distributed renewable energy resources in the form of solar are critical to achieving universal energy access.⁷

Therefore, CAN urges that:

- All Parties, particularly wealthier countries and major emitters, enshrine within their NDCs to be updated and communicated by 2020 **robust policies and legislation towards achieving 100% renewable energy implementation as soon as possible and by 2050 at the latest**. This should include both (1) a commitment to reach 100% renewable energy as soon as possible and no later than 2050; and (2) a 2030 commitment that is in line to reach the 100% renewable energy goal, enshrining

⁴ See, e.g., University of Finland and Energy Watch Group, "Global Energy System based on 100% Renewable Energy," April 2018, http://energywatchgroup.org/wp-content/uploads/EWG_LUT_100RE_All_Sectors_Global_Report_2019.pdf.

⁵ See, e.g., *id.*; Joeri Rogelj et al., "Mitigation Pathways Compatible with 1.5°C in the Context of Sustainable Development," In: *Global Warming of 1.5°C*, IPCC, 2018, https://www.ipcc.ch/site/assets/uploads/sites/2/2019/02/SR15_Chapter2_Low_Res.pdf.

⁶ For heating, decarbonization can also be achieved by fuel switching to renewable energy. See IEA, "Energy Access Outlook 2017: From Poverty to Prosperity," *World Energy Outlook Special Report*, 2017, <https://www.iea.org/publications/freepublications/publication/weo-2017-specialreport-energy-access-outlook.html>.

⁷ See Rogelj et al., *supra* n.5, 137; see also IEA, Commentary: Population without access to electricity falls below 1 billion, 20 October 2018, <https://www.iea.org/newsroom/news/2018/october/population-without-access-to-electricity-falls-below-1-billion.html>.

the dramatic ramp up of renewable energy portfolios in all sectors, strongly increased energy efficiency and energy demand reduction measures, and major transportation electrification.

- **Wealthy countries assist poorer countries to leapfrog the fuel economy** and establish 100% clean energy systems through adequate climate and/or energy finance, capacity building, and technology transfer efforts that protect biodiversity, the environment and communities' health and safety.
- All countries strategically plan for a clean and renewable mix of energy sources, **prioritizing renewable sources like solar, while avoiding false solutions** like unsustainable forms of biomass to drive this transition.
- All countries **build energy delivery systems that are just and democratic**, allowing for community input and ownership and proliferation of decentralized and distributed energy.

Manage the Decline of Fossil Fuel Extraction

“[F]ossil fuel exploration, and eventually production, must come to an end if we are to fulfil the [...] Paris Agreement.” – Sec. Gen. François Martel, Pacific Islands Development Forum

“[I]t is the urgent responsibility and moral obligation of wealthy fossil fuel producers to lead in putting an end to fossil fuel development and to manage the decline of existing production.”

– *The Lofoten Declaration, 2017, signed by over 500 organisations in 76 countries, including CAN-I*

Expanding and investing in fossil fuel extraction and infrastructure is incompatible with climate leadership and the long-term goals of the Paris Agreement.⁸ Analysis shows that the existing fossil fuel system is *too big already*, and its further expansion sucks investment away from renewable solutions.⁹ A significant portion of already-developed oil, gas, and coal reserves – those in existing fields and mines where capital is sunk and infrastructure built – must be kept in the ground to stay within a 1.5°C carbon budget.¹⁰ Government decisions to license, contract or permit new fossil fuel extraction and infrastructure *dig the world into a deeper hole*, risking either climate and ecological breakdown or a deferred, chaotic collapse of the fossil energy system in future decades.

Alongside efforts to reduce fossil fuel demand, **parallel policies to restrict fossil fuel supply prevent the lock-in of carbon emissions and create the space for renewable alternatives to take root.** Planning for the phase-out of fossil fuel extraction is also essential to planning for a just transition for affected workers and communities. **Strengthened NDCs should include supply-side mitigation pledges to achieve significant reductions in global fossil fuel production and export.**

Therefore, CAN urges that:

- All countries include in their updated and revised NDCs their **plans to immediately cease issuing new licenses, contracts and permits for fossil fuel exploration and extraction**, and the building and financing of new fossil fuel infrastructure domestically and abroad.
- All countries commit to a **participatory and inclusive process towards a just transition**, including national, regional and local approaches that involve all affected stakeholders, workers and communities. Countries need to state how they will plan for and fund a just transition for current fossil

⁸ CAN-I Position, "The need for restrictions on fossil fuel supply," September 2018, http://www.climatenetwork.org/sites/default/files/can_position_fossil_fuel_supply_restriction_september_2018.pdf.

⁹ For example, G20 subsidies to fossil fuel production are *four times greater* than global support for renewable energy. Elizabeth Bast et al., *Empty Promises: G20 subsidies to oil, gas, and coal production*, Overseas Development Institute and Oil Change International, 2015, <https://www.odi.org/publications/10058-empty-promises-g20-subsidies-oil-gas-and-coal-production>.

¹⁰ Greg Muttitt, *The Sky's Limit: Why the Paris Climate Goals Require a Managed Decline of Fossil Fuel Production*, Oil Change International, 2016, <http://priceofoil.org/2016/09/22/the-skys-limit-report/>.

fuel- and energy-intensive industry workers and communities, in dialogue with trade unions and other social partners (and building on the decision by the COP, CMP, and the CMA to relaunch the work of the forum on the impact of the implementation of response measures).

- Based on greater capacity, carbon pollution and responsibility, **wealthy fossil fuel-producing countries move first and fastest to phase out existing fossil fuel extraction**, setting clear targets for significant reductions in fossil fuel production and export by 2030, and assisting developing countries with their own phase-outs at the pace required to limit warming to 1.5°C.
- Countries **rapidly eliminate subsidies to fossil fuel production** in an equitable way and remove other public finance for fossil fuel supply and infrastructure, noting that G20 governments committed in 2009 to end subsidies to fossil fuels.