



Climate Action Network

Position: The world needs a fair, fast, full, and funded fossil fuel phase-out

November 2023

Climate Action Network (CAN) is a global network of more than 1,900 civil society organisations in over 130 countries driving collective and sustainable action to fight the climate crisis and to achieve social and racial justice.

Introduction

The climate crisis is here now, impacting people and communities around the world – and oil, gas, and coal play the largest role in fueling this crisis. Those people and communities who have done the least to cause this fossil-fueled crisis are suffering the most.

In 2023, the global atmospheric concentration of carbon dioxide crossed 420 parts per million (ppm) – probably the highest it has been for at least ten million years.¹

Fossil fuels are the largest cause of the climate crisis, both historically and currently. The combined carbon dioxide (CO₂) and methane (CH₄) emissions from oil, gas, and coal production and consumption amount to approximately 75 percent of all global anthropogenic greenhouse gas emissions to date². At the same time as total global greenhouse gas emissions have almost doubled since 1990, the share of climate pollution driven by oil, gas, and coal has also grown.³

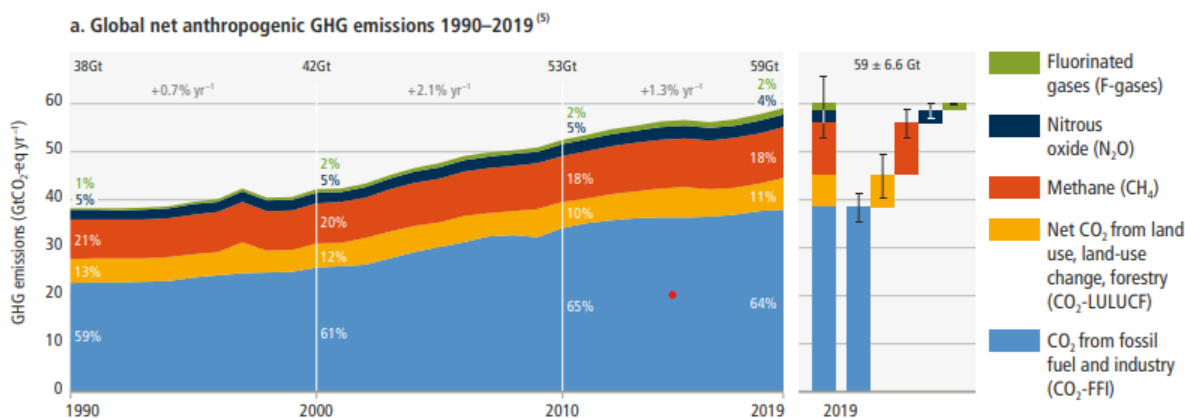
¹ NASA 2023, [Carbon Dioxide | Vital Signs – Climate Change: Vital Signs of the Planet \(nasa.gov\)](https://climate.nasa.gov/evidence/)

² Fossil fuels contribute at least 40% of all anthropogenic methane emissions IEA, 2023, [Overview – Global Methane Tracker 2023 – Analysis - IEA](https://www.iea.org/reports/global-methane-tracker-2023)

³ See IPCC Figure 1 Summary For Policymakers, 2022, [Climate Change 2022. Mitigation of Climate Change. Summary for Policymakers \(ipcc.ch\)](https://www.ipcc.ch/report/ar6/wg2/)

Figure 1: Global net anthropogenic emissions have continued to rise across all major groups of greenhouse gases

Global net anthropogenic emissions have continued to rise across all major groups of greenhouse gases.



Source: IPCC, 2022

Fossil fuels include coal, gas and oil that contribute today about 41%, 32%, 22%, respectively, of all non-land use CO₂ emissions⁴.

Paradoxically, since the Second World Climate Conference in 1990 instigated negotiations towards the United Nations (UN) Framework Convention on Climate Change (UNFCCC), for over 30 years, fossil fuels remained the elephant in the room in the UN climate change negotiations; they were not mentioned in agendas, conclusions, or agreements,⁵ and largely unmentioned in formal negotiations – even though they are the single largest cause of the climate crisis,⁶ which is also a human rights crisis directly causing harm to the health (SDG 3),⁷ environment (SDG 14 & 15), lives and livelihoods⁸ of people and communities, especially in the Global South.⁹

⁴ Pierre Friedlingstein et al, chapter 3.1.3. In “Global Carbon Budget 2022”, [ESSD - Global Carbon Budget 2022 \(copernicus.org\)](https://www.earth-system.org/essd-global-carbon-budget-2022)

⁵ However, a number of multilateral diplomatic initiatives to address fossil fuels developed alongside the UNFCCC negotiations, including the Powering Past Coal Alliance (PPCA) and the Friends of Fossil Fuel Subsidy Reform.

⁶ Pierre Friedlingstein et al, “Global Carbon Budget 2021,” *Earth System Science Data*, 14, no. 4, (April 2022), pp. 1917–2005, <https://doi.org/10.5194/essd-14-1917-2022>.

⁷ ‘COP28 Open Letter on fossil fuels from the Global Medical and Health Community’, Health Care Without Harm and Global Climate and Health Alliance, <https://cop28healthletter.com/>.

⁸ Our Trust is Broken’, Human Rights Watch, 10 July 2023, <https://www.hrw.org/report/2023/07/10/our-trust-broken/loss-land-and-livelihoods-oil-development-uganda>

⁹ “Summary for Policymakers Headline Statements,” Intergovernmental Panel on Climate Change, 2023, <https://www.ipcc.ch/report/ar6/syr/resources/spm-headline-statements>; Hoesung Lee et al., “Climate Change 2023: Synthesis Report,” Intergovernmental Panel on Climate Change, 2023, doi: 10.59327/IPCC/AR69789291691647.001, https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf; Vohra, K et al (2021) Global mortality from outdoor fine particle pollution generated by fossil fuel combustion: Results from GEOS-Chem. *Environmental Research*: <https://doi.org/10.1016/j.envres.2021.110754>;

This began to change at COP26 in Glasgow. A draft decision text referred to phasing out fossil fuels from electricity production, and the final decision adopted called for “accelerating efforts towards the phasedown of unabated coal power and phase-out of inefficient fossil fuel subsidies”¹⁰. Additionally, groups of countries launched two significant political initiatives in support of fossil fuel phase-out at COP26: the Beyond Oil and Gas Alliance (BOGA), focused on ending new fossil fuel expansion and setting Paris-aligned end dates for production; and the Clean Energy Transition Partnership, focused on ending new international public finance for fossil fuels.

Momentum has grown since then. During COP27 in Sharm el-Sheikh in 2022, countries or negotiating blocs representing over 80 countries pushed for the cover decision text to include references to either a phase-out or phase-down in fossil fuels. Since then, momentum has been building globally for a COP decision on an energy package that includes a phase-out of **all** fossil fuels. In particular –

- In March 2023, **Pacific nations** agreed to a “spearhead the global phase-out of oil, gas, and coal production”.¹¹
- In May 2023, the **G7 leaders’ declaration** committed to “accelerate the phase-out of unabated fossil fuels so as to achieve net zero in energy systems by 2050 at the latest.”¹²
- In June 2023, at **SB58 in Bonn**, negotiating groups representing 74 countries mentioned phasing out or phasing down fossil fuels in their opening statements.¹³
- On 15 June 2023, **United Nations Secretary-General (UNSG) Antonio Guterres** called for immediate, global action to address “the polluted heart of the climate crisis: the fossil fuel industry”, described oil, gas, and coal as “**a product incompatible with human survival**”, and warned that without phasing out these dirty, dangerous fuels, the fossil fuel industry’s plans would just be schemes to become “more efficient planet-wreckers”.¹⁴
- On 16 October 2023, the **European Union** adopted its official position for COP28, highlighting that “the shift towards a climate neutral economy in line with the 1.5°C goal will require the global phase-out of unabated fossil fuels” and that the targets for renewable energy and energy efficiency “must go hand in hand with energy savings and

¹⁰ UNFCCC, 2021, Glasgow climate pact:

https://unfccc.int/sites/default/files/resource/cma2021_10_add1_adv.pdf

¹¹ “Port Vila Call for a Just Transition to a Fossil Fuel Free Pacific” launched by Vanuatu, Tuvalu, Tonga, Fiji, Niue, and the Solomon Islands.

https://www.pican.org/files/ugd/923d4b_8c205a9319a645d4b4926155f49c6425.pdf; “Pacific Energy and Transport Ministers call for bold action to reduce fossil fuels and increase access to energy and maritime transport for all Pacific people”, Pacific Community, 12 May 2023,

<https://www.spc.int/updates/news/media-release/2023/05/pacific-energy-and-transport-ministers-call-for-bold-action-to>.

¹² “G7 Hiroshima Leaders’ Communiqué”, White House, 20 May 2023,

<https://www.whitehouse.gov/briefing-room/statements-releases/2023/05/20/g7-hiroshima-leaders-communication/>.

¹³ Natalie Jones, Twitter, 12 June 2023, <https://x.com/nataliejones/status/1668176593842233346?s=20>.

¹⁴ “Secretary-General’s Press Conference on Climate,” United Nations, June 15, 2023, <https://www.un.org/sg/en/content/sg/presscounter/2023-06-15/secretary-generals-press-conference-climate>.

the phase-out of fossil fuel energy production and consumption, to be adopted by COP28”.¹⁵

- The **High Ambition Coalition** has published several communiqués calling for a comprehensive energy package including the tripling of renewable energy, doubling of energy efficiency and a phase-out of all fossil fuels.¹⁶
- At the September 2023 **UNSG Summit**, a number of nation-states called for a fossil fuel phase-out, notably including:
 - **Chile**, as President Gabriel Boric said “The climate crisis is a fossil fuel crisis, so we have to leave fossil fuels behind”;
 - **Tuvalu**, as Prime Minister Kausea Natano stated “There is no greater threat than fossil fuels”;
 - **Colombia**, as President Gustavo Petro called on governments to be “aiming for zero in terms of production and supply of coal, gas and oil”;
 - **The Republic of the Marshall Islands**, as President David Kabua called “for a fossil fuel phaseout and demand that abatement technology not be used to greenlight continued expansion”;
 - **Denmark**, who shared their leadership in spearheading the Beyond Oil and Gas Alliance;
 - **Spain**, as President Pedro Sánchez called for “more efforts to eliminate fossil fuels”; and
 - **Palau** called on governments to make “commitments on no new oil, gas, and coal”.
- Also at the UNSG Summit, **California Governor Gavin Newsom** supported these strong statements from nation-states, making it clear that “for decades the oil industry has been playing each one of us in this room for fools”.

Yet, at the same time, countries around the world continue to expand fossil fuel production. Rich nations are at the forefront of this expansion, even as their diplomats express support for phasing out or phasing down fossil fuels. Recent Oil Change International research shows that just five wealthy global north countries are responsible for 51 percent of planned expansion from new oil and gas fields from now until 2050: the United States, Canada, Australia, Norway, and the United Kingdom.¹⁷ These countries have the greatest economic means and the greatest historic and present responsibility to rapidly end their oil and gas production, yet are still digging deeper into fossil fuels.

¹⁵ Council of the European Union, Outcome of Proceedings: Preparations for the 28th Conference of the Parties (COP28) of the United Nations Framework Convention on Climate Change (UNFCCC) (Dubai, 30 November – 12 December 2023) - Council conclusions, <https://data.consilium.europa.eu/doc/document/ST-14285-2023-INIT/en/pdf>.

¹⁶ The most recent statement can be found here: <https://www.highambitioncoalition.org/statements/cochair-summary-april-2021-9n7c5-z7kxl-733k4-sjma4-6rx7a-72mzf>.

¹⁷ Romain Ioualalen and Kelly Trout, *Planet Wreckers: How 20 Countries’ Oil and Gas Extraction Plans Risk Locking in Climate Chaos*, Oil Change International, September 2023, <https://priceofoil.org/content/uploads/2023/09/OCI-Planet-Wreckers-Report.pdf>, p. 4.

In addition, while momentum for a fossil fuel phase-out is growing, so is the industry's effort to create escape hatches and loopholes to avoid losing profits. Carbon capture and storage (CCS) to 'abate' fossil fuels, carbon dioxide removal (CDR) in the form of Direct Air Capture, Bioenergy with CCS or ocean carbon removal technologies to cover up for expansion, or solar radiation modification (SRM or solar geoengineering) as a quick and unproven 'fix' for global heating are dangerous distractions from the urgent and feasible phase-out of fossil fuels.

The fossil fuel industry and its enablers are struggling to resist this transition and frame themselves as somehow part of the solution. Instead of acknowledging the need to phase out fossil fuels, those who profit from oil, gas, and coal are increasingly pursuing misleading greenwashing efforts, hiring crafty public relations firms to market their bare-bones efforts as "green", setting misleading 'Net Zero' targets based on dodgy offsets, and launching alliances emphasising Scope 1 and 2 emissions reductions while ignoring the 80-95% of the fossil fuel industry's emissions that come from their customers burning the oil, gas, and coal they produce and sell.

The time to confront the fossil fuel industry and its enablers is now. CAN calls for COP28 in Dubai at the end of 2023 to clearly and unambiguously agree to phase out **all** fossil fuel production and use, in a fast, full, fair, and funded manner, as part of a comprehensive energy package. It is too late to confront one fossil fuel at a time, and it is too risky and too costly – financially and, more importantly, in terms of human suffering and environmental destruction – to gamble on dangerous distractions such as CCS and CDR, carbon markets, and offsets. Even with a massive expansion of CCS – itself extremely unlikely, expensive and risky – a rapid phase-out of fossil fuels is still necessary.

What's more, phasing out fossil fuels and accelerating the deployment of renewable energy will have benefits for people now, helping to secure universal, sufficient, and affordable energy access, and providing opportunities to create good quality jobs and dignified livelihoods.

Crucially, to make this possible, those who have profited most from the fossil fuel economy, and particularly the wealthy nations of the global north must redirect trillions from fossil fuels, debt, the wealth of the super-rich and the fossil fuel industry to provide massively scaled-up public finance for the energy transition, provided on fair terms. This finance must be largely grant-based to support developing countries to accelerate a just transition away from fossil fuels and to renewable energy. Importantly, this finance must be truly fossil-free, not be based on misleading taxonomies that wrongly categorise some kinds of fossil finance as 'climate finance'.

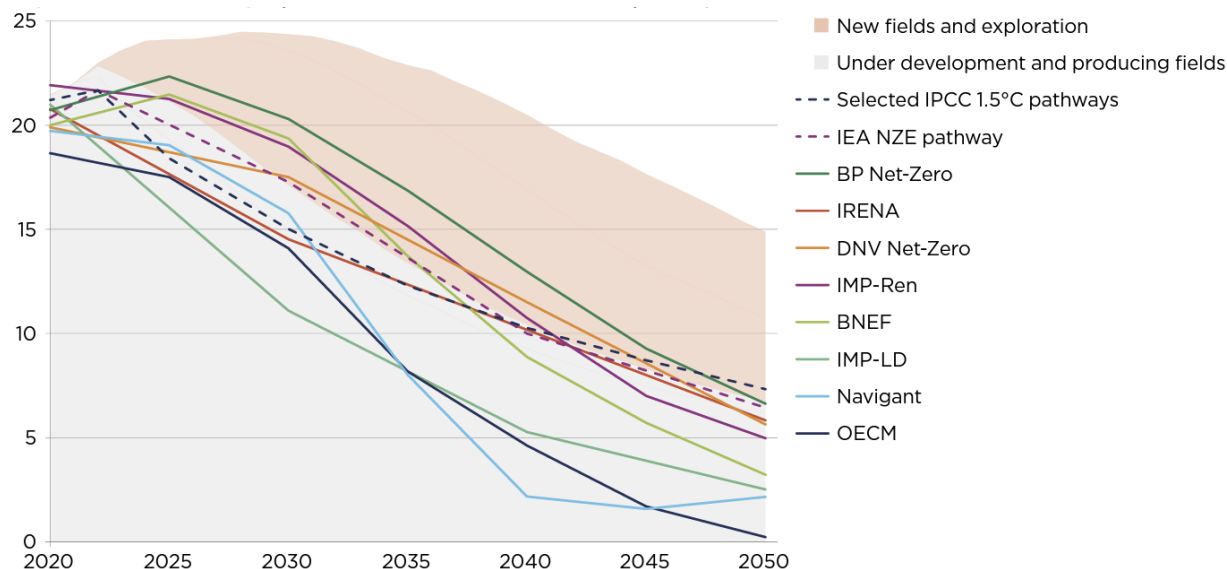
This finance must be truly additional; it must not come at the cost of more under-delivery of official development assistance or finance for adaptation or loss and damage, and must not come with more broken promises. It must be paired with adequate climate and loss and damage finance, which until now has been underdelivered.

1. The fossil fuel phase-out must be full – and start with no new extraction or infrastructure

As Antonio Guterres said, the oil, gas, and coal industries are the black heart of the climate crisis. The IPCC’s recent Synthesis Report warned that, “projected CO₂ emissions from existing fossil fuel infrastructure [...] would exceed the remaining carbon budget for 1.5 degrees Celsius (°C).”¹⁸ The International Energy Agency (IEA) has consistently shown since 2021 that there is no room in a 1.5°C-aligned scenario for new fossil fuel expansion beyond existing fields and mines.¹⁹

Other scenarios also reflect this reality. An IISD analysis confirms that scenarios that avoid unrealistic and risky reliance on carbon capture and storage (CCS) and/or carbon dioxide removal (CDR) require oil and gas production to decline significantly faster – by nearly 50 percent by 2030, relative to 2020 levels, in the case of the IPCC low demand illustrative mitigation pathway (IMP-LD) shown in Figure 2.²⁰

Figure 2: Global oil and gas production, based on selected 1.5°C pathways



Source: IISD, 2022

¹⁸ “AR6 Synthesis Report,” Intergovernmental Panel on Climate Change, 2023, <https://www.ipcc.ch/report/ar6/syr/>.

¹⁹ IEA, “Net Zero by 2050: A Roadmap for the Energy Sector,” May 2021, p. 21, <https://www.iea.org/reports/net-zero-by-2050>; IEA, World Energy Outlook 2021, October 2021, <https://www.iea.org/reports/world-energy-outlook-2021>; IEA, World Energy Outlook 2022, October 2022, <https://www.iea.org/reports/world-energy-outlook-2022>; IEA, Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal in Reach, September 2023, <https://www.iea.org/reports/net-zero-roadmap-a-global-pathway-to-keep-the-15-0c-goal-in-reach>, pp. 16 and 164.

²⁰ Navigating Energy Transitions: Mapping the road to 1.5°C, 2022, International Institute for Sustainable Development, pp. 15-18, <https://www.iisd.org/publications/report/navigating-energy-transitions>.

The widely discussed targets of tripling renewable energy deployment and doubling energy efficiency improvements²¹ must go hand in hand with an express and quantified call for a fair, fast, full, and funded phase-out of *all* fossil fuels in the COP28 energy package.

Consequently, to date, much of the growth of renewable energy has been additive to overall global energy supply and consumption rather than replacing fossil fuels. Despite significant increase in wind and solar in the electricity sector over the last decade, there has been insignificant growth in the overall share of renewables in the energy sector globally since 2011 – leaving fossil fuels as close to 80 percent of all energy used.²² Without a complementary phase out policy including an immediate ban on new oil, gas, and coal, there is a real risk that a call to triple renewable energy drives further energy ‘additions’ rather than transitions.²³

Carbon lock-in effects and a continued increase in energy consumption mean fossil fuel phase-out efforts are needed to ensure a rapid renewable energy buildout would translate into sufficient emissions reductions.²⁴ That is, even in the face of cheap and abundant renewable energy, the long lifespans of fossil fuel projects often prevent assets from becoming stranded. This includes investor incentives to recover sunk costs, legal protections like investor-state dispute settlement (ISDS), and incentives for fossil fuel actors to lobby against climate action that threaten their assets.

Ultimately, fossil fuel phase-out driven primarily by an ambitious renewable energy build-out would also be more expensive and less just. It would risk replicating existing structural injustices in the fossil energy system in the renewable energy system, and likely involve the stranding of assets on a massive scale. Pursuing both sets of policies in parallel instead allows time for planning and resources to be put towards a just transition for the workers and communities that depend upon fossil fuel production, and to secure affordable and reliable energy access for all – along with good jobs for people.

Further, in addition to the climate crisis, the extraction and consumption of fossil fuels is also driving a biodiversity crisis, which is leading to a collapse of entire ecosystems. These ecosystems can act as robust mitigation mechanisms as they are natural carbon sinks and reservoirs, which provide ecosystem-based approaches/nature-based solutions to climate change. The destruction and degradation of ecosystems reduces the planet’s ability to withstand and adapt to climate impacts and can decrease community resilience to loss and damage.

At every stage of their life cycle - exploration, extraction, production, distribution, refinement, usage - fossil fuels have negative impacts on biodiversity. They directly contribute to biodiversity

²¹ See for example the COP President-elect’s letter dated 17 October 2023: <https://unfccc.int/documents/632560>.

²² REN21 Global Status Report (SR) on renewables 2023, Figure 2 in particular [Global Overview \(ren21.net\)](#)

²³ Energy transitions or additions?: Why a transition from fossil fuels requires more than the growth of renewable energy <https://www.sciencedirect.com/science/article/abs/pii/S2214629618312246#preview-section-cited-by>

²⁴ Cutting with both arms of the scissors: the economic and political case for restrictive supply-side climate policies, SpringerLink <https://link.springer.com/article/10.1007/s10584-018-2162-x>

loss by causing air and water pollution, releasing carbon emissions which accelerate global warming, and lead to the degradation and destruction of critical habitats. Therefore, it is crucial that the phase-out of fossil fuels be done in a nature-sensitive way, following the Kunming Montreal Global Biodiversity Framework of halting and reversing biodiversity loss by 2030.

2. The fossil fuel phase-out must be fair

Justice and equity are key to unlocking a call for fossil fuel phase-out at COP28. This means that, in addition to taking the lead on mitigating fossil-fuel emissions, wealthy nations must also move fastest to end fossil fuel extraction and consumption. This is particularly important because just five wealthy nations are projected to be responsible for 51 percent of fossil fuel expansion between now and 2050.²⁵

These countries must phase out the extraction of fossil fuels within their territories, including fossil fuels extracted by international companies operating within their jurisdictions; such integrated oil and gas companies are responsible for much of the fossil fuel expansion in the Global South. Indeed, many of these companies' histories are inextricably tied to the history of colonisation, and they often continue to replicate colonial, patriarchal, extractive power structures.

As governments grapple with a call to phase out fossil fuel production and use, to limit global warming to 1.5°C, it is critical that they implement meaningful policies to ensure a just and sustainable energy transition.

A 2020 study in the journal *Climate Policy* by Greg Muttitt and Sivan Kartha presents a framework for equitably curbing fossil fuel extraction, proposing five principles:²⁶

1. **Phase out global extraction at a pace consistent with 1.5°C**, using a full toolbox of economic and regulatory approaches, including enhanced extraction taxes and licensing moratoria. There is no room for new oilfields, gasfields or coal mines to be opened anywhere.
2. **Enable a just transition for workers and communities**, including through sound investments in low-emission sectors, social protection for fossil-fuel workers and poor communities, and local economic diversification. The accelerated phase-out must not lead to higher prices and regressive tax regimes that hurt low-income communities.
3. **Curb extraction in tandem with environmental justice**. Ending extraction urgently where it violates people's rights, especially Indigenous rights, and in general prioritizing

²⁵ Romain Ioualalen and Kelly Trout, *Planet Wreckers: How 20 Countries' Oil and Gas Extraction Plans Risk Locking in Climate Chaos*, Oil Change International, September 2023, <https://priceofoil.org/content/uploads/2023/09/OCI-Planet-Wreckers-Report.pdf>, p. 4.

²⁶ Greg Muttitt and Sivan Kartha, "Equity, Climate Justice, and Fossil Fuel Extraction: Principles for a Managed Phase Out," *Climate Policy*, Special Issue: Supply-side Fossil Fuel Policies, May 2020, pp. 10241042, <https://www.tandfonline.com/doi/full/10.1080/14693062.2020.1763900>. The accepted manuscript is available at: <http://priceofoil.org/content/uploads/2020/06/Equity-Climate-Justice-and-Fossil-Fuel-Extraction-Accepted-manuscript.pdf>.

ending extraction where communities disproportionately experience the harms of extraction (such as pollution).

4. **Reduce extraction fastest where social costs of transition are least**, meaning that (while there is no room for any new expansion or fossil fuel finance anywhere) wealthier, diversified economies must phase out (existing) production first and fastest, as they can better mitigate and absorb the adverse impacts on workers and communities. All must phase out as quickly as possible – extraction does not drive just and sustainable development – but phase-out must not occur in a manner that makes just transition impossible.
5. **Share transition costs fairly**, so that the largest burden is borne by those with the greatest ability to pay, meaning that wealthy countries — which have already benefited the most from fossil fuels — bear the most cost.

An equitable phase-out of fossil fuel production must require wealthy countries that have a high capacity to transition their economies away from fossil fuel dependence²⁷ reduce their production first and fastest – as well as similarly reducing their fossil fuel consumption. A 2022 Tyndall Centre report on phase-out dates for fossil fuel production provides a detailed framework for assessing and applying this principle of equity, explicitly arguing that the wealthy high-emitting nations must phase out all oil and gas production no later than 2034.²⁸

Importantly, it also stressed the need for wealthy countries to support poor extractors, which are often dependent on extraction-related profits, as they seek to rapidly shake off that dependence. The phase-out must, where possible within an equitable 1.5°C-aligned pathway, avoid extreme, unmanageable social disruption in countries that are particularly dependent on fossil fuel extraction. There are multiple dimensions to this dependence: fossil fuel extractions not only provide jobs, but they also provide government revenue to fund public services, and foreign currency to balance trade and service sovereign debt. Phase-out time frames must where possible allow countries to manage the loss of these benefits and develop alternatives, without compromising equity or exceeding a 1.5°C-aligned pathway. Likewise, support must be of a scope and scale sufficient to do so even for the poorest countries.

Irrespective of any level of total or per capita greenhouse gas emissions today, all developing countries have far lower cumulative historical emissions per capita compared to richer nations like the USA or most EU member states.²⁹ Among other factors, cumulative historic total and per

²⁷ By “wealthy countries that have a high capacity to transition their economies away from fossil fuel dependence”, we generally mean those countries listed as Group 1 in Figure 3 of Calverley, D., & Anderson, K. (2022). Phaseout Pathways for Fossil Fuel Production Within Paris-compliant Carbon Budgets, <https://research.manchester.ac.uk/en/publications/phaseout-pathways-for-fossil-fuel-production-within-paris-complia>.

²⁸ Calverley, D., & Anderson, K. (2022). Phaseout Pathways for Fossil Fuel Production Within Paris-compliant Carbon Budgets, <https://research.manchester.ac.uk/en/publications/phaseout-pathways-for-fossil-fuel-production-within-paris-complia>.

²⁹ Friedlingstein et al. Global Carbon Budget 2022, panel c) and d), Figure 5, [ESSD - Global Carbon Budget 2022 \(copernicus.org\)](https://www.copernicus.org/publications/global-carbon-budget-2022)

capita emissions are important for equity and fairness-based considerations when negotiating and discussing country targets for emissions reductions – especially because up to 40% of the CO₂ emitted stays in the atmosphere for 1000 years and longer.³⁰

Crucially, though, this extraction phase-out must not be done in a way that further locks in existing injustices, increases damages to ecosystems, or replicates colonial dynamics. All five principles of equity are crucial. The COP28 decision will be a failure if it serves only to further enable international companies to continue extracting wealth from the Global South, at the cost of people and communities in the countries that have done the least to cause this crisis.

Alongside the UNFCCC, governments must pursue an equitable phaseout through alternative collaborations and approaches, such as the Fossil Fuel Non-Proliferation Treaty and several alliances against fossil fuels, including the Beyond Oil and Gas Alliance, the Powering Past Coal Alliance, and the Clean Energy Transition Partnership.

Additionally, though this position paper is focused on COP28 and so focused on international equity, it is imperative that other dimensions of equity are also addressed – including equity for working people, gender equity, and equity for Indigenous Peoples.³¹

3. The fossil fuel phase-out must be fast

The climate crisis is here, and there is no room to delay in phasing out fossil fuels. Any call to phase out fossil fuels must be fixed to a 1.5°C-aligned decline curve without relying on risky unproven so-called abatement technologies, to achieve the objective of the Paris Agreement. Concrete measures must be implemented to ensure that this phase-out occurs at the necessary pace – in excess of a 6% reduction per year.³²

As a starting point, countries must acknowledge that there is no room for new oil, gas, and coal expansion, and should commit to ending all new extraction, including by ending public and private investments in new fossil fuel extraction and fossil fuel infrastructure.

Ultimately, even just ending new extraction now is insufficient to achieve a 1.5°C-aligned phase-out. Peer-reviewed research shows that the fossil fuel industry and its enablers in government have already licensed, permitted, and constructed more oil and gas fields, coal mines and other fossil fuel infrastructure than is compatible with a livable climate.³³ Building on this research, analysis shows that now the majority (60%) of the fossil fuel reserves within active

³⁰ IPCC Working Group 1, 2013, Chapter E.8 SPM, [WG1AR5_SPM_FINAL.pdf \(ipcc.ch\)](https://www.ipcc.ch/report/ar5/wg1/)

³¹ See for example <https://climatenetwork.org/wp-content/uploads/2023/09/CAN-JT-Guidance.pdf> and <https://climatenetwork.org/resource/climate-action-network-the-transition-to-100-renewable-energy-must-be-just-equitable-and-rapid/>.

³² See Claire Fyson and others, ‘2030 targets aligned to 1.5°C: evidence from the latest global pathways’, *Climate Analytics*, 13 June 2023, <https://climateanalytics.org/publications/2023/2030-targets-aligned-to-15c-evidence-from-the-latest-global-pathways/>.

³³ Kelly Trout et al., “Existing fossil fuel extraction would warm the world beyond 1.5°C,” *Environmental Research Letters* 17, no. 6 (2022): 064010, <https://iopscience.iop.org/article/10.1088/1748-9326/ac6228>.

fields and mines must stay in the ground to have a 1-in-2 chance of limiting warming to 1.5°C.³⁴ In September 2023, the IEA also clearly articulated that some existing fields and mines will likely need to be closed early to make 1.5°C possible.³⁵

All together, developed fields and mines contain enough fossil fuels to push the world beyond not just 1.5°C but even 2°C, a significantly more dangerous threshold. Rapidly phasing out fossil fuel production and use is therefore crucial to meeting the objectives of the Paris Agreement.

Every delay in phasing out fossil fuels, every project to increase fossil fuel extraction and use means enormous increases in the frequency and intensity of climate-related disasters, increasing the loss and damage suffered in every community, rural or urban, in every country, whether global north or global south, throughout every region of the world – and especially those people and communities who have done the least to cause this crisis, but are already suffering first and worst.

4. The fossil fuel phase-out must be full

Countries must commit to fully phasing out fossil fuels. There can be no room for half measures and dangerous distractions. That is:

1. *It is too late to phase out one fossil fuel at a time:* Even if coal mining and use stopped immediately, burning just the oil and gas in developed, operating fields now would push the world beyond 1.5°C. Just repeating language around phasing out unabated coal would be a failure, serving only to support oil and gas interests and reinforce injustices, at the expense of people and communities – and 1.5°C. Further, expansion of fossil gas production and demand, including liquified natural gas (LNG) will only serve to increase cumulative emissions.
2. *It is too late to phase out fossil fuels from just one energy consuming sector:* Previous debates in the UNFCCC around fossil fuel phase-out focused on the electricity sector. This is necessary, but not sufficient. Fossil fuels must be phased out of the power sector, but also out of transport, heating, industrial processes, petrochemicals (including plastics and fertilisers) and other uses. CAN reiterates its longstanding call for 100% renewable energy, which requires an end to fossil fuel production and use across the entire energy system, and affirms its support for peoples' movements across the world calling for an end to petrochemicals expansion and towards a managed decline and just transition for these other non-energy uses of fossil fuels.
3. *It is too risky and harmful to gamble on false solutions and weasel words like abatement:* The best way to confront the climate crisis is to keep fossil fuels in the ground and keep climate pollution out of the atmosphere, not gamble on sucking it back down again. The IPCC has assessed CCS as the highest cost and least-effective mitigation lever to at

³⁴ Kelly Trout, "Sky's Limit Data Update: Shut Down 60% of Existing Fossil Fuel Extraction to Keep 1.5°C in Reach," Oil Change International, August 2023, <https://priceofoil.org/skys-limit-dataupdate-2023>.

³⁵ IEA, Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal in Reach, September 2023, <https://www.iea.org/reports/net-zero-roadmap-a-global-pathway-to-keep-the-15-0c-goal-in-reach>, pp. 150.

least 2030.³⁶ The IPCC has left no doubt that irreversible impacts would come from overshooting 1.5°C, that there are huge physical uncertainties of doing large scale carbon removal, that reliance on future CDR delays deep emission cuts now, and that CDR technologies like BECCS and DACCS come with immense risks and harms for ecosystems and communities. Delaying deep emission cuts into the far away future is a convenient way for big polluters to distract from the urgency to start phasing out fossil fuels today and to drastically reduce emissions in the critical decade ahead.³⁷ There are also other dangerous so-called “abatement” proposals, such as co-firing coal power stations with biomass, which risks undermining climate action by incentivising new coal capacity, and retrofitting coal power station to be co-fired with biomass simply prolongs the production and consumption of coal.

5. The fossil fuel phase-out must be funded

Both the IPCC and IEA have confirmed that 1.5°C-aligned solutions exist but more finance is required to achieve a 1.5°C-aligned pathway, and to deliver secure, reliable and sustainable energy access for all.³⁸

To successfully phase out fossil fuels, over the coming years the world will need a monumental scaling up of significantly enhanced, grant and debt-sustainable concessional finance on fair terms from higher income, developed countries nations for renewable, efficient and just energy transition in lower-income countries – on the order of trillions of US dollars.³⁹

The overall move to a net-zero/phase-out of fossil fuels and 1.5 C compliant pathway will require finance of several tens of trillion USD cumulatively between now and 2050. While the exact numbers are not clear yet, international organisations like UNCTAD, IPCC, IEA, UNFCCC Standing Committee for Finance and the G20 have recently published some high-level estimates, particularly for energy decarbonisation investment needs in developing economies.⁴⁰ These assessments range from about USD 1.7 to 7.3 trillion annual investment needed (public and private). This varies depending on what is included, such as technologies, hardware, skilling new labour and education, equitable just transition support, construction of new factories producing renewables and energy-efficient products, embarking on a circular economy, large and small scale grid expansion, various storage options etc.

³⁶ [AR6 Synthesis Report Figure SPM.7](#)

³⁷ See also CAN's position pa

https://climatenetwork.org/wp-content/uploads/2021/01/can_position_carbon_capture_storage_and_utilisation_january_2021.pdf.

³⁸ “AR6 Synthesis Report,” Intergovernmental Panel on Climate Change, Summary For Policymakers, Figure 4.6, 2023 [AR6 Synthesis Report: Climate Change 2023](#); IEA, page 22, [World Energy Investment, 2023](#); IEA, chapter 2 [Scaling up Private Finance for Clean Energy in Emerging Markets and Developing Economies \(ifc.org\)](#), 2023

³⁹ Compare with Andreas Sieber, ‘To triple renewable energy, the Global South needs finance’, *Climate Home News*, 30 October 2023, <https://www.climatechangenews.com/2023/10/30/to-triple-renewable-energy-the-global-south-needs-finance/>.

⁴⁰ For IPCC and IEA, see footnote 38. , UNCTAD 1, [World Investment Report 2023](#), 2023; UNFCCC Standing Committee on Finance, 2022, ([54307_2 - UNFCCC First NDR summary - V6.pdf](#)) .

There is no shortage of public finance available in high-income countries to ensure additional, massively scaled-up support for a globally just fossil fuel phase-out and energy transition. Higher-income countries can slow climate impacts and raise their contributions closer to their fair share by ending fossil fuel subsidies, restricting public and private investments in fossil fuels, taxing fossil fuel profits and the super-rich, and cancelling unfair sovereign debts.

Wealthy countries – starting with all the countries of the Global North – must not just meet their existing climate commitments, but must massively scale up their climate finance commitments in particular, so as to fund a global just transition to renewable, community-beneficial, nature-positive energy on a massive scale, including in emerging oil and gas producing countries in the Global South – and this is not only crucial money to enable a just energy transition, but also high-income countries' obligation and responsibility to help low-income countries respond to a crisis they did not cause.

The IPCC has pointed out that public finance flows remain skewed in favour of fossil fuels, directly undermining fossil fuel phase-out efforts. Shifting this financing and delivering increased financing for real solutions is also key to historical producers contributing fairly to the effort to limit warming to 1.5°C.

To ensure fair, transparent, adequate, and 1.5°C aligned flows, all parties must also work together towards a transformation of multilateral monetary, trade, tax, and debt rules, with negotiations occurring under the auspices of the UN rather than lender-dominated arenas. The momentum towards a UN Convention on Tax is one important near-term opportunity in this direction.

Conclusion: Phasing out oil, gas, and coal is possible – and essential

The time is now. At the same time as setting goals to triple total renewable energy capacity and double energy efficiency, a comprehensive COP28 energy transition package must confront the fossil mammoths in the negotiating chamber: oil, gas, and coal. These fossil fuels must be phased out – and the transition must be fair, fast, full and funded.

Without all these elements, COP28 will not succeed in unlocking the systemic transformations in the global energy supply needed to deliver the full potential of a just and equitable transition aligned with limiting warming to 1.5°C, and deliver the full potential of a just and equitable energy transition. Instead, it will risk merely tweaking the edges of the current, unjust, fossil-fueled system.

A world beyond fossil fuels is possible, and it is essential that COP28 is a significant moment in accelerating this transformation. In September, 600,000 people protested in over sixty countries, demanding an end to fossil fuels – fast, fair, and forever. At the same time, in the halls of diplomacy, champion countries are emerging, and must be supported to speak out. These voices must be heard in Dubai.