

OPEN LETTER

To the attention of....

Portuguese Presidency of the Council of the European Union

Portuguese Members of the Portuguese Parliament

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Policy coherence for development is particularly relevant in what concerns climate change mitigation leadership and International Trade Agreements. As noted by Mr. Carlos Lopes, the African Union High Representative for Partnerships with Europe, «the European Union has opted to pursue more ambitious targets than those set up in the Paris Agreement. This should be welcomed. The European Green Deal is now being prioritized as part of the EU's post-COVID-19 recovery plan. A new decision targeting a 55% emissions reduction by 2030 has just been set. Although its implementation will materialize through agreements on several legislative texts, it is not lost to Africans that it is likely to affect the continent in different ways. Attention needs to be paid to both intended and unintended consequences.¹»

1. Ensure stronger and effective policy coherence for development, both at domestic and external levels

Policy coherence for development (PCD) is a legal obligation under the Lisbon Treaty and a political commitment by EU Member States. It requires a balance of economic, social and environment dimensions of development into more integrated approaches, which entails a fair and inclusive climate transition both at domestic and global levels, with job creation and social justice at its basis and a particular focus on the poorer, most vulnerable and marginalized groups. PCD also pursues an informed decision-making that takes into account the impacts of EU policies on poorer countries. At external level, the decarbonization of European economies and the necessary fulfilment of EU climate policy and targets are already having adverse effects on developing countries, due to the externalization of impacts (e.g., waste exports, crops for biodiesel production, relocation of carbon-intensive industries and investments).

Although the EU, its Member States and the European Investment Bank are together the biggest contributor of public climate finance to developing countries and for the replenishment of the Green Climate Fund, loans are a substantial share of climate financing, therefore increasing the debt burden of partner countries. Furthermore, by focusing on a restrictive view of climate mitigation and adaptation, there is also a risk of not matching the most prevailing needs and

¹ Lopes, C., (2021). Europe and Africa need to see eye to eye on climate change. OECD Development Matters, January 4th, 2021. Available [here](#).

specific priorities of poorer countries and communities in this regard, such as combating pollution, tackling energy poverty and expanding energy access, reinforcing sustainable management of natural resources, amongst others, therefore hampering an integrated approach to sustainable development as pursued by the 2030 Agenda. Finally, the flat trend of development aid provided by EU member states and institutions over recent years is not likely to change in the near future, so the increased focus on climate action may entail a reallocation of already stretched aid funds, and their diversion from much-needed assistance to human development, governance and social protection.

We therefore ask the Portuguese Presidency to:

- a. Promote the **balance of environmental justice with social justice** by including social and rights-based criteria and measures (e.g., human development and job creation provisions, incentives for conversion of small and medium-size businesses, social protection measures) in the implementation of EU Green Deal's instruments and funds, as well as by prioritizing and effectively implementing the EU Social Pillar (concrete action should be agreed on the Social Summit to be held on 7th May 2021).
- b. Ensure that the definition and implementation of climate-related policies at EU level (including the forthcoming Climate Law, Climate Adaptation Strategy, the Climate and Energy Package and others) **pay attention to inequalities in the impacts of climate change and of the policies themselves** on gender equality, poverty and social exclusion, and specific protection for vulnerable groups, in order to leave no one behind.
- c. Reinforce **EU contribution and multilateral action towards the global provision of US\$100 billion/year to help developing countries** combat climate change, including advocating for a **greater focus on grants over loans, and on poorer countries and most vulnerable communities** (particularly Least Developed Countries - LDCs and Small Island Developing States - SIDS).
- d. **Eliminate all EU external financing** – both in development aid and in foreign investment, namely through the EU External Investment Plan and the European Fund for Sustainable Development - **that undermines and is incoherent with climate action**, such as for projects that are not climate-resilient and include unsustainable management of natural resources, the use of fossil fuels or carbon-intensive activities in partner countries.
- e. Ensure that Member States and EU climate financing to developing countries is **additional to Official Development Assistance (ODA)** and not a reallocation or diversion from other sectors in already overstretched aid budgets, thus also preserving poverty eradication as the central objective of EU development policy.
- f. Assert that EU aid targeting climate action **matches partner countries' priorities and needs** and is increasingly focused on **increasing long-term resilience of poorer countries** to external shocks, therefore developing their capacities and skills, their institutional framework and enabling environment for more coherent and effective policies.
- g. Ensure that **both EU climate policy and development policies effectively contribute towards the 2030 Agenda for Sustainable Development**, by mainstreaming and

including the Sustainable Development Goals, targets and indicators in both policies and related instruments.

- h. To ensure a do no harm approach of EU policy instruments aiming at 55% target on emissions reduction by 2030, such as the Carbon Border Adjustment Tax, and other non-tariff requirements to access the EU Market, in order to avoid unintended consequences for the Africa's infant industry and agriculture.

2. Agree on a Climate Law compatible with limiting global warming to 1.5°C

On 4 March 2020, the European Commission proposed the first EU Climate Law. The proposed Regulation enshrines a binding objective of climate neutrality (net-zero emissions) by 2050 and the emission reduction trajectory to get there. It also enshrines a new binding net (including sinks) domestic (EU) 2030 greenhouse gas (GHG) emissions reduction target of 55% compared to 1990 levels, following the European Council political agreement on 11 December 2020.

While a positive step forward, the proposed Climate Law does not address the climate emergency and the need to respond through more urgent action as demanded by science and civil society. Delaying action will drastically reduce the possibility to meet the 1.5°C global warming target that the EU committed to pursuing in Paris. Moreover, to meet this target, a GHG emissions reduction of at least 65% by 2030 is needed, with climate neutrality to be reached by 2040 and strengthened global action. The European Parliament has called for a more ambitious 2030 target of 60% not including "sinks", as well as for climate neutrality being binding also for Member States, an alignment of policymaking with science, a phase out of fossil fuels support and stronger provisions on access to justice and civil society engagement.

Under the German Presidency, the Environment Council has reached a General Approach on the Climate Law on 17 December, while informal negotiations with the European Parliament have started. The Portuguese Presidency will play a crucial role in reaching an inter-institutional agreement on the Climate Law. The domestic emission reduction target of "net 55%" agreed by the European Council on 11 December is way below what is needed according to science to address the climate emergency.

We therefore call upon the Portuguese Presidency to:

- a. **Lead the negotiations to reach an inter-institutional agreement on the Climate Law which ensures the needed ambition to put all EU's economies on a science-based emissions reduction path for achieving climate-neutrality** as soon as possible and well before 2050. Establish a comprehensive and consistent policy approach to tackle the different environmental challenges, including EU GHG emissions generated in production and consumption and embedded in materials, also in agricultural products, as well as air pollution, depletion of our natural resources and ecosystems and biodiversity loss.
- b. Phase **out all direct and indirect support to all fossil fuels by 2025.**

- c. Ensure that **financial flows are consistent** with a pathway towards a **climate-neutral and resilient society**.
- d. Ensure the **effective and structured involvement of civil society and clear provisions for access to justice** to hold governments accountable on climate action.
- e. **Strengthen the science-based approach of EU decision-making** on climate policy by setting up an independent scientific body to support the European Commission.
- f. Ensure that the **Regulation on Trans-European Networks for Energy Infrastructure** only supports Paris Agreement-compatible infrastructure. Only renewable hydrogen is aligned with the Paris Agreement, while the definition of *low carbon* gases is misleading and the blending of renewable gases with fossil gas must be excluded.

3. Implement the Climate Adaptation Strategy to help future-proof the EU

The need for climate adaptation is closely connected to the past and ongoing failure to adequately mitigate the effects of the climate crisis. As a result, the climate crisis is already affecting people, the economy and the environment in Europe, often manifesting itself in changes to the water cycle, including extreme events such as droughts and floods, but also through gradual, yet significant, effects on water availability, water quality and ecosystems.

The recent approval of the EU Adaptation Strategy by the EC and the forthcoming Council Conclusions, led by the Portuguese Presidency, provide an important opportunity to develop solutions that address a range of hazards and vulnerabilities while also offering opportunities for win-win solutions in addition to climate adaptation, such as climate mitigation, biodiversity, air, water and soil quality as well as human health and wellbeing. The Portuguese Presidency must lead the negotiations in the Council towards a focus on such synergistic approaches as this is demanded not only by the urgency of the planetary crises, but also by the need to contribute to the protection of human health and to enhance the resilience of ecological and social systems. It is also a simple question of cost-effectiveness.

We therefore call upon the Portuguese Presidency to:

- a. Negotiate and contribute to the implementation of Council Conclusions on the EU Adaptation Strategy that **accelerate action on deploying nature-based solutions** and create synergies with the nature protection and restoration commitments in the EU Biodiversity Strategy for 2030.
- b. **Increase coherence and ambition across relevant EU policies in order to enhance resilience**, including the Common Agricultural Policy (CAP), National Energy and Climate Plans (NECPs), the Urban Agenda for the EU, as well as the upcoming EU Forest Strategy.
- c. **Promote increased awareness** and political support and enable knowledge exchange on topics such as dealing with uncertainty or climate resilient water allocation.

- d. Ensure that all Member States **adopt national adaptation plans** accompanied by clear and measurable **legally binding targets** and enabling **implementation mechanisms**.
- e. **Lead by example in the implementation of a national adaptation plan.**

**Together in promoting a fairer, inclusive, decent,
and sustainable world. Our world.**

The signatories:

