

September 26, 2018

Letter on the need to ensure the ongoing energy reviews at the European Bank for Reconstruction and Development and the European Investment Bank are aligned with the Paris Agreement goals

We are writing to you regarding the ongoing review of the energy sector strategy of the European Bank for Reconstruction and Development (EBRD), as well as the upcoming energy lending criteria review of the European Investment Bank (EIB).

As you may be aware, the World Bank Group demonstrated leadership in shifting away from fossil fuel finance last year in December at the One Planet Summit, committing to end its finance for upstream oil and gas-related activities after 2019.

The EBRD is a majority-European owned public finance institution, as is the EIB, and thus we call on the EBRD and EIB to go a step beyond the World Bank in restricting oil and gas finance to demonstrate strong climate leadership.

We feel it is important for European institutions to lead the way in ending public finance for all fossil fuels, and to align their investment with the Paris Agreement on climate change. The Paris Agreement contains as one of its three key objectives “making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.”

Public finance institutions must lead the way in supporting this objective, consistent with another Paris Agreement objective of “pursuing efforts to limit warming to 1.5°C, signaling to other finance providers a rapid shift away from additional investment in long-lived fossil fuel infrastructure, which risks locking us into a carbon-intensive energy future. A growing body of evidence suggests that expanded production and use of oil and gas is incompatible with meeting globally-agreed climate goals, while existing thermal coal assets must be rapidly wound down.

In particular, we call on you to ensure that, as part of the energy sector strategy review and energy lending criteria review process, EBRD and EIB:

- **End financing for thermal coal mining and coal-fired power, and ensure financial intermediary lending does not go towards coal-based utilities or companies;**
- **Clearly and explicitly commit to a rapid and complete shift away from oil and gas toward zero- or low-emission development, in line with long-term deep decarbonisation strategies that are consistent with the ambition to limit warming to below 1.5°C, as enshrined in the Paris Agreement.**

By taking these important steps, EBRD and EIB can have an outsize impact on the global financial community by demonstrating the shift away from fossil fuel infrastructure. The recent heat waves that have gripped much of Europe – made far more likely as a result of climate change – are a reminder of the urgency required in addressing the climate challenge. Please act to ensure that the EBRD and EIB are not undermining their efforts to support climate action by continuing to finance fossil fuels.

Sincerely,

The undersigned, representing 65 civil society organisations from 28 countries, and regional and international organisations:

Abibiman Foundation – Ghana
ACT Alliance EU – Europe
Aotearoa Youth Leadership Institute – New Zealand
Balkani Wildlife Society – Bulgaria
Bank Information Center Europe – Europe

Bretton Woods Project – United Kingdom
CEE Bankwatch – Europe
Centar za Zivotnu Sredinu / Friends of the Earth Bosnia & Herzegovina – Bosnia & Herzegovina
Center for International Environmental Law – United States
Christian Aid – International

Clean Air Action Group – Hungary
Climate Alliance Switzerland – Switzerland
Climate Justice Network Nepal – Nepal
Collectif Causse Méjean – Gas de schiste NON! – France
Coordination Office of the Bishop's Conference for International Development and Mission – Austria

Counter Balance – Europe
E3G – United Kingdom
Earth Ethics – United States
Eco-Conscience – Tunisia
eco-union – Europe

Economic Justice Network Sierra Leone – Sierra Leone
EKOenergy – Finland
Ekološki pokret Ibar – Serbia
Environmental Justice Foundation – United Kingdom
Environics Trust – India

Epikaizo Care Initiative – Tanzania
Food & Water Europe – Europe
Fossil-free.ch Switzerland – Switzerland
Friends of the Earth Europe – Europe
Fundacja Rozwój Tak – Odkrywki Nie – Poland

Global Catholic Climate Movement – International
Global Witness – International
Green Home – Montenegro
Human Rights Foundation Aotearoa New Zealand – New Zealand
International Institute for Sustainable Development – International

JPIC Capuchin Franciscans Order – International
Kazdağı Dođal ve Kültürel Varlıkları Koruma Derneđi – Turkey
Koalicja Klimatyczna – Poland
Labour, Health and Human Rights Development Centre – Nigeria
Les Amis de la Terre / Friends of the Earth France – France

Lumiere Synergie pour le Developpement – Senegal

Маленькая Земля / Little Earth – Tajikistan

Market Forces – Australia

McCulloch Consulting – United Kingdom

Observatoire d'Etudes et d'Appui à la Responsabilité Sociale et Environnementale – Democratic Republic of the Congo

Oil Change International – International

Organic Agriculture Association – Albania

REK Rowlands & Partners – United Kingdom

The Renewables – New Zealand

Réseau Français des Etudiants pour le Développement Durable – France

Rural Reconstruction Nepal – Nepal

Social Education & Environment Protection – Albania

SustainUS – United States

Swiss Youth for Climate – Switzerland

Taraqqiet – Tajikistan

Toxics Information Project – United States

Turtle Island Restoration Network – United States

UGTT – Teleperformance Sousse base Union – Tunisia

urgewald – Germany

Wodonga Albury Towards Climate Health – Australia

Xun Biosphere Project – United States

Youth for Environment Education and Development Foundation – Nepal

ZERO – Associação Sistema Terrestre Sustentável – Portugal

Zukunft statt Kohle Switzerland – Switzerland

350.org – International