

## Report of the PFD Thematic Webinar on the Green Deal

Virtual meeting held on 27 October 2020

In the framework of the Virtual PFD that kicked off in July with a series of regional meetings which was followed by a global consultation on programming chaired by DEVCO Director General Koen Doens on September 15th, a second series of thematic webinars sought to refine the PFD's recommendations to the EU by looking into its key priorities. The first global thematic webinar took place on October 27th and brought together PFD members and technical experts to focus on the Green Deal.

The objective of the thematic webinar was to discuss the ways in which the impact of the European Green Deal on EU's relations with partner countries and to present some of the initiatives that the EU is currently supporting so as to identify potential entry points for PFD members. After presentations by Aurelie Godefroy (Deputy Head of Unit Environment, Natural Resources and Water, DG DEVCO) and William Lindberg (Climate change and Sustainable energy Unit, DG DEVCO), the interactive discussion was organised around the following questions:

- How can the programming and implementation of the EU Green Deal contribute to reducing inequalities, ensure a just transition and leave no-one behind?
- How can the enabling environment (and thereby the roles and work of civil society and local and regional governments) be strengthened through the implementation of the EU Green Deal?
- How can multi-stakeholder partnerships (and thereby civil society and local and regional governments) effectively contribute to implementing the EU Green Deal at global, national and local level?

### Key messages:

**Ensure a just transition:** There is a dichotomy between social justice and climate action that requires addressing the systemic tension between environmental aspects and the social agenda. Even if the EU wants to share with its partners a vision of a climate neutral and green growth, the transition towards such a model risks leaving behind the most vulnerable. To avoid this, it is crucial to understand the real capacity of civil society to influence government-led policies, to ensure the protection of human rights and environment defenders, as well as to enforce the principle of free, prior and informed consent (FPIC).

**Address inequalities:** by modifying flows of trade and economic relationships, improving industrial policy and knowledge sharing, capacity building, creating compromises rather than imposing restrictive conditions. Address not only investments in fossil fuels, but also in other carbon intensive sectors. Extractivism, promoting polluting activities and the accumulation of profits will not only increase greenhouse gas emissions, but also increase economic and social inequalities, degrading livelihoods and leaving us more vulnerable and unprotected in the face of the increasingly frequent, intense and unpredictable climate impacts.

**Climate finance:** The EU seeks to support its partners in improving their climate adaptation plans by focusing on finance for adaptation and finance for disaster risk reduction, as well as by supporting them to upgrade or complete their Nationally Determined Commitments (NDCs). There is no doubt that investments in public infrastructure are going to be key for the implementation of the Green Deal. One problem with EU initiatives such as Electrify is that they look primarily at return on investment and the grant component is comparatively limited and requires the participation of investment banks and other financial actors, who hold a stronger say and make it difficult for local groups to benefit. To avoid this, the private sector financing instruments of the Multi-annual Financial Framework (MFF) 2021-2027 should be oriented towards business models that put people and planet first and empower local communities to tackle climate change, providing them with access to micro and small funding without having to go via governments or international banks. Simultaneously, the EU should align its investment mechanisms and linked technical assistance to the realities of each country so as to avoid contributing to an increase in inequalities.

**Green taxation:** In line with the 2030 Agenda and its call for Domestic Revenue Mobilisation, the EU should support partner countries to look at the progressivity of various environmental taxes, taking into consideration their impact on the poorest through a gender-differentiated approach. For instance, carbon taxes are generally regressive and may not be the best option in all countries, as they can improve the environment at the expense of equality.

Private sector engagement is about **balancing growth and business priorities** with sustainability and environmental objectives; to this end, it is important to create appropriate frameworks and regulations which work in the reality of particular national contexts. As part of the monitoring of these investments, disaggregated data collection (by sex and gender) as well as the local ownership of initiatives are key.

More robust support to the **agroecological transition**, which science now recognises as a promising pathway to both strengthen mitigation and adaptation. Climate and agriculture have a complex relation that needs to be explored in a nuanced manner that protects the interests of small-scale farmers; in this regard, farming communities are largely represented by cooperatives and should thus be considered when designing the agroecological transition.

**Women** play a key role in initiatives that contribute to climate mitigation and enhanced resilience, but climate finance instruments remain difficult to access. The EU should include a gender perspective in programming and make funds available for women's rights networks and organisations so that they can develop and upscale gender-just climate initiatives. Similarly, it should promote equal and meaningful participation and leadership of women in climate and forest conservation decision-making at all levels in line with UNFCCC and CBD Gender Work Programmes and Action Plans.

**Role of Local Governments:** Adopting a territorial approach is fundamental to fighting the inequalities that may derive from climate action. Local communities and indigenous people need to be at the core of conservation projects, while adaptation, resilience and disaster risk reduction are key actions which need to be considered and supported at local government level. In many countries, local governments have responsibilities for many areas which have significant impact on climate and environmental preservation/degradation, but in practice they are not empowered to act and implement because of limited capacity, funding or other barriers. For them to fulfil their role, their capacities need to be reinforced in terms of planning, resilience and urban development. Moreover, it is essential to reinforce existing local systems and not circumvent local government or other local actors.

**Inclusion:** Dedicate enough funding for CSOs to have their place in policy dialogues and support their initiatives, particularly those who already too often fall out of current climate financial instruments because of lack of accessibility (women's groups, grassroots groups, and so forth). We need to use development assistance to make sure those who are generally excluded are at the table: women living in poverty, small-

scale farmers, minorities, etc. Involve business and local business organisations at all levels to understand their contexts and priorities and create improvements through social dialogue, coordination and coherence. Use existing examples of integrated approaches: e.g. DEVCO already has a tool to look at the multidimensional/integrated aspects of agriculture value chains, including social, gender, governance, economic, environmental considerations.

**EU Delegations** need to **support a more diverse range of CSO actors and communities**, including local level and micro actors, forest communities and indigenous groups; significant and predictable funding should be made available to civil society organisations so that they can safeguard civic space and enable CSOs' participation in the implementation of the Green Deal. Besides explicitly stated guidance on inclusion, it is important for EU Delegations to have a coherent and streamlined approach which takes into account existing initiatives and the work being done at local level. The DEVCO handbook on mainstreaming inequalities in development cooperation must be widely distributed and understood if EU Delegations are to understand the multiple dimensions of inequality and stop tackling problems in siloes. After all, the Covid-19 crisis is a reminder that everything is connected: our health, our economies and the natural environment.

**Adaptation:** a stronger approach to adaptation is needed now since climate change is exacerbating inequalities amongst communities and genders. This means supporting dedicated adaptation projects and programmes, spanning infrastructure and natural resource management and access, including water. It also means mainstreaming adaptation considerations across all development cooperation, investment, policies and assistance, and work to support and enhance national adaptation plans (NAPs). A much more comprehensive approach is needed with respect to existing technical tools on adaptation.

**Energy communities.** The EC supports the concept of energy communities (that allow citizens to own the renewable energy production) and their ability to tackle energy poverty. Inside the EU every Member State has time until mid 2021 to set up an enabling framework to take away obstacles for the development of energy communities and support them to take part in the energy market. This should also be part of the EU policy outside the EU.

Multi-stakeholder partnerships for Nationally Determined Commitments (NDCs): CSOs often play a key role in pushing for adaptation elements as well as raised ambition of climate plans. CSOs should be facilitators of multi-stakeholder partnerships, since they show high consideration for key priorities of adaptation, and transparency of processes for tracking and reporting on implementation of NDC.