

END FOSSIL FINANCE

MDBs CAN'T HELP FIX THE CLIMATE CRISIS IF THEY STILL FUND THE CAUSE

The financial system needs radical reform to face up to intersecting global crises and ensure it works for all, especially people in the Global South who are bearing the brunt of the climate crisis despite doing the least to cause it.

Leading scientists, institutions and public figures – from the IPCC and the IEA, to the Pope and the UN Secretary General – agree we must stop expanding fossil fuels.

Existing oil and gas fields and coal mines already contain more fossil fuels than the world can extract and burn under the Paris Agreement. We urgently need bold decisions in initiatives including The Paris PACT Summit, World Bank Evolution Roadmap, Bridgetown Initiative and COP 28.

Yet in the last three years at least USD \$9.8bn of MDB (Multilateral Development Bank) funds have flowed directly to fossil fuel projects.

This is only the tip of the iceberg, as it does not include MDB's indirect finance of fossil fuel projects. Vital funds should instead be used to support a just transition to sustainable, green economies.

While the total direct finance for fossil fuels has fallen in recent years, so far only the EIB has committed to ending finance of all fossil fuels. Public taxpayer money is continuing to flow into coal, oil and fossil gas. These are not the actions of institutions that should be entrusted to tackle the climate crisis.

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MULTILATERAL DEVELOPMENT BANKS CANNOT CONTINUE WITH BUSINESS AS USUAL. AHEAD OF ANY DECISIONS ON THEIR WIDER ROLE, WE DEMAND THAT MDBs :

- 01 Commit to a full phase out of all fossils fuels including via financial intermediaries, budget support and technical assistance
- 02 End finance for gas expansion and stop positioning gas as a transition fuel
- 03 Fulfill their mandate to alleviate poverty by ending developing countries' reliance on fossil fuels, instead redirecting funds to support a just, renewable energy transition in line with the SDGs on energy access for all and gender equality
- 04 Ensure finance shifted to renewable energy does not replicate extractivist models employed by the fossil fuel industry
- 05 Guarantee that the financing of renewable energy projects does not force countries or low-income households into debt for a crisis they did not create
- 06 Increase ambition to maintain global temperatures below 1.5C rise in line with the Paris Agreement
- 07 Commit to greater transparency in decision making and consultation on investments. The Paris Summit demonstrates that many of these discussions and processes happen with little participation from countries or civil society from the Global South



Transforming the global financial system so it benefits people and the planet can only happen with an end to public finance of fossil fuels.

