**Subject: Ambition and fossil fuel exclusion in the Cohesion Policy as a position of the Council of the European Union going into Trilogues with the European Parliament**

Dear [Minister]

There is a climate emergency and EU funding has a huge, though currently untapped potential to address it through climate action. Negotiations on the financial frameworks for the 2021 to 2027 period are ongoing and Cohesion Policy trilogues will recommence at the end of October.

The European Parliament’s position is currently closer to bringing EU funds in line with the goals of the Paris Agreement. It is now in the hands of the Council of the European Union to realise the potential of the 241 billion to deliver on the just transition towards climate neutrality.

We therefore ask you, during the trilogues with the European Parliament on the ERDF, Cohesion Fund and Common Provisions Regulation, to:

1. **Support full exclusion of fossil fuel investments from EU financing**Investing in fossil fuels locks-in polluting technology and infrastructure, diverting funds away from longer-term, sustainable investments that contribute to Europe’s future economic prosperity and security. The European Commission’s Proposal excludes fossil fuel funding from the next generation of Cohesion Policy funding.
   1. *We call on you to uphold this exclusion in full and support the European Parliament’s position on Article 6 of the ERDF and Cohesion Fund, with no derogations.*
2. **Uphold the Partnership Principle in all programming, implementation and monitoring of EU cohesion policy funds**The Commission Communication “A Clean Planet for All” released in November 2018 recognises that all regions are different and face unique challenges and opportunities with regards to climate action. The development of programming documents, implementation of programmes and projects as well as the monitoring of EU funds must therefore involve and bring together all relevant partners from local to national levels.
   1. *We call on you to support explicit references to partners, including civil society, local and regional authorities; as well as the legally-binding reference to the Commission Delegated Regulation 240/2014 on the Code of Conduct on Partnership.*
   2. *We ask all member states to commit to transparent reporting of national progress in developing partnership agreements and operational programmes by regularly submitting public reports to the European Commission and Parliament, including detail on stakeholder consultation.*
3. **Support strong climate proofing and mainstreaming**The Commission proposal highlights the important role cohesion policy will play in addressing climate change in a socially fair way. It recommends climate mainstreaming at 30% for the specific ERDF programme and at 37% for the cohesion fund.
   1. *We call on you to support the Parliament’s proposal and increase climate mainstreaming in the cohesion fund to at least 40%, as regions eligible for this funding are often most in need of support to make the sustainable transition.*
   2. *Climate mainstreaming should be supported by a clear climate proofing methodology at both programming and project level. We call on you to support the Parliament’s position on Article 2 of the ERDF Regulation, ensuring that all plans and programmes are to be developed taking into account the Energy Efficiency First Principle and must be embedded in decarbonisation pathways.*

We also call on you to support the proposal by the European Parliament to include a new Article (6a) on ‘horizontal principles’ in the Common Provisions Regulation. These underline the necessity of excluding fossil fuel investments from cohesion funding, reinforce that fund objectives shall be pursued in line with the principle of sustainable development and ensure that the socially just transition, biodiversity protection and energy efficiency requirements, amongst others are promoted in the preparation and implementation of the programmes.

The EU is facing a critical moment. The next seven years will be crucial if member states are to set themselves on a pathway that is consistent with the international commitments they agreed to under the Paris Agreement and if they are to promote a transition that is socially fair, sustainable and advantageous to their citizens.

**WWF and the undersigned organisations urge you to accept these recommendations and negotiate a cohesion policy fit for achieving the linked objectives of addressing climate change and supporting regional equality and development.**