



Fossil to Clean campaign FAQ

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Why is this the right moment for this campaign and action on fossil fuel phase-out?

- We have seen exponential growth of clean energy solutions, yet emissions continue to rise. This is because we have not dealt with the primary cause of climate change: the combustion of fossil fuels. If we are to realize the transition to a just, clean and green economy, we need to put a hard spotlight on phasing fossil fuels down while rapidly phasing in clean solutions.
- We are in a unique moment where action is feasible and critical: 80+ nations supported India's call at COP27 to phase out all fossil fuels and the G7 recently endorsed an accelerated phase-out of unabated fossil fuels.
- Recognizing this, the We Mean Business Coalition (WMBC), with support from our partners, has developed a multi-year global campaign called "Fossil to Clean." The campaign will mobilize business and policymakers to take the decisive action needed to accelerate a well-managed and just transition from fossil fuels to clean solutions.

What is the campaign?

- The aim of the Fossil to Clean campaign is that by 2025, thousands of influential businesses across the world will be sending a clear market signal that will lead energy suppliers, capital providers and governments to accelerate the provision of affordable, reliable and safe clean alternatives.
- Central to the campaign are the Fossil to Clean Principles for Global Fossil Fuel Phase-out, developed by We Mean Business Coalition with advice from leading experts such as ETC and SBTi. These provide clear guidance and timelines for phasing up clean energy and phasing fossil fuels down and out for business, investors and governments. These principles are designed to inform the transition plans and strategies of fossil fuel producers, consumers and finance—and the policy choices made by governments. These are an essential ambition-setting tool and alignment with the principles will send a strong market signal to ensure we can rapidly decarbonize the global energy system by the 2040s. Companies are encouraged to take action in line with the principles.
- We call on governments to deliver a global commitment on the timeline and targets for fossil fuel phase-out, update their NDCs to include timelines and targets for fossil fuel phase-out and put in place the national policies that business needs to reduce fossil fuels across sectors and accelerate the transition to clean solutions.

How can my company get involved in the Fossil to Clean campaign?

- There are three main ways for a company to get involved:
 - Take Action: align with the principles and take action to achieve them
 - Speak out: work with WMBC to share how your company is taking action and what barriers you are facing
 - Advocate: engage in advocacy efforts calling for international and national agreements and policies that phase out fossil fuels and enable a rapid scaling of clean energy
- Interested in getting involved? Visit our [webpage](#) or email us at FFPO@wmbcoalition.org.

What are the principles? Why are they needed?

- The Fossil to Clean Principles for Global Fossil Fuel Phase-out establish a North Star for fossil fuel phase-out for oil and gas producers, corporate energy consumers, governments and finance. We know that to successfully phase out fossil fuels, each of these stakeholders must act in alignment with limiting global heating to 1.5°C.
- The principles are built off the recommendations of the UN High-Level Expert Group on Net Zero and were developed using the latest available modelled pathways that limit global heating to 1.5°C and reaching net zero by 2050 (e.g. IPCC 2022, IEA 2022).
- While many companies have set a net-zero target, very few explicitly translate this into an end date for fossil fuels. This is a critical missing piece because providing certainty on when fossil fuels will end is essential for sending the right signals to the market to scale clean energy. Without this, there remains hesitation and hedging on the longevity of fossil fuels, which stymies clean energy investment and creates policy uncertainty, leading to a vicious circle and slowing deployment.
- Despite the myriad resources for companies on how to take climate action in line with net zero, ambitious guidance, rooted in science, on when and how to phase out fossil fuels is largely missing.

Who are the principles for?

- Demand: companies that purchase or consume energy, including power generators.
- Producers: integrated oil and gas companies, integrated gas companies, exploration and production pure players and other actors involved in refining, distribution and retail of oil and gas products. It covers fields/assets directly owned/operated or anywhere the companies have a stake. More expansive and detailed guidance for the entire oil and gas value chain is being developed by the Science Based Targets initiative (SBTi).
- Finance: financial institutions that engage in investment activities as part of its core functions. These include, but are not limited to, the following: asset management/asset owners; retail and commercial banking activities; insurance companies (when functioning as asset managers); mortgage real estate investment trusts (REITs).
- Governments: national governments

What is the value-add for corporates aligning with the principles and taking action?

- Fossil fuels are under the spotlight this year in the run up to COP28, and it is highly likely that companies will be asked directly what they are doing to reduce their consumption of fossil fuels and scale clean solutions. Aligning with the principles and engaging in the Fossil to Clean campaign gives them a clear and credible ambition, action and advocacy item that they can point to.
- Companies joining the movement to go beyond fossil fuels and set a clear end date for their use will shape the markets of tomorrow, and the transition to net zero emissions economies. Those that are aligning their strategies, products/services and supply chains to 1.5°C-aligned pathways are winning customer loyalty, new market share, price premiums, lower cost access to capital and engaged employees.

How do the principles align with setting a credible science-based target?

- For a company setting a science-based target, it is implicit that they will need to phase out fossil fuels to meet that target. The Fossil to Clean principles make this explicit.
- The principles establish a North Star and provide clear guidance and timelines for phasing up clean energy and phasing fossil fuels down and out for business, investors and governments, but they do not replace the need for a credible science based net-zero commitment. That is why one of the key criteria in the principles is the need for business to set a credible net-zero commitment, ensuring that the timelines and targets for fossil fuel phaseout and scaling clean energy are included. Best practice is a commitment or validated target with the Science Based Targets Initiative's net zero target or, for small businesses, registered by the SME Climate Hub commitment. These are considered the most ambitious net-zero commitments.
- SBTi is currently developing its standard for oil and gas and is expected to release its financial institution net-zero (FINZ) standard, which will include criteria around fossil fuels, in 2024.

Why do you ask companies to develop and publish a Climate Transition Action Plan (CTAP)? Is there any guidance for companies on developing a CTAP?

- The We Mean Business Coalition, along with CDP, Ceres and EDF have developed guidance for companies looking to create a CTAP that can be found [here](#). For financial institutions, the Glasgow Financial Alliance for Net Zero (GFANZ) & the UK Government Transition Plan Taskforce (TPT) have also developed frameworks for transition plans. See [here](#) for GFANZ's guidance and [here](#) for the TPT.
- A CTAP is an essential step for companies that want to cut their emissions. It clearly states the key actions and steps a company is taking to align with a 1.5°C trajectory. It is forward-looking and focuses on specific near-term actions. A CTAP should be in conjuncture with a credible net-zero commitment. Setting a credible net-zero commitment is a public goal, and the CTAP helps to plan how to get there. Outlining near-term actions and targets is critical for phasing down and out fossil fuels and sending a clear signal to producers on future fossil fuel demand.

What support is available to companies looking to take action in line with the principles?

- The We Mean Business Coalition and its wide network of partners offer a wealth of initiatives, resources and assistance for companies looking to decarbonize their business and supplier operations.
- To achieve the phase out of fossil fuels, every company will need:
 - Ambition: Measuring emissions and setting science-based targets
 - Action: Creating and delivering on a Climate Transition Action Plan (CTAP)
 - Advocacy: Calling for policies and regulation that will help accelerate action
 - Accountability: Reporting publicly on progress
- These are the 4 As of Climate Leadership that form the basis of credible corporate leadership on climate change. We encourage you to join more than 13,000 companies that are taking action: <https://www.wemeanbusinesscoalition.org/business/>

Why is government a key stakeholder for this campaign?

- International agreements, policies and norms, alongside national government policy, create the policy architecture for the functioning of supply, distribution and demand in the global energy system. Therefore government's role in the transition to a decarbonized global energy system is crucial in supporting the actions of companies to phase out fossil fuels and phase in clean solutions.

Why focus on fossil fuel phase out as a policy outcome out now?

- Since COP27 in Egypt at the end of 2022, a rare global political window of opportunity has opened. It was the first time phasing out all fossil fuels has been credibly discussed in the formal multilateral negotiations under the UNFCCC, and 80 countries, led by India, rallied around the call to phase out all fossil fuels.
- Momentum continues to build. In March 2023, the Council of the European Union formally declared the EU commitment to promote a global phaseout of unabated fossil fuels. In May, G7 Leaders committed to accelerate the phase-out of unabated fossil fuels so as to achieve net zero in energy systems by 2050 at the latest, in line with the trajectories required to limit global average temperatures to 1.5°C. With COP28 set to be hosted by a Middle Eastern state with an economy dependent on hydrocarbons, all eyes will be on fossil fuels and expectations are high to progress towards a global commitment to phase out fossil fuels. Achieving consensus among all countries will be a huge challenge. Success will not be possible without strong support from the private sector, both pushing for policy change and demonstrating business' own commitment and action.

What is your stance on developing countries continuing to produce and consume oil and gas?

- Each country needs to develop a credible roadmap and policies for scaling renewable energy, electrification and energy efficiency and phasing out all fossil fuels.

- Developed countries should be first movers and phase out fossil fuels faster while providing support to developing countries to ensure their fair and fast transition to 1.5°C-aligned policies and investment.
- In many developing countries, the energy story is less about transition and more about economic development. Some developing countries are currently heavily dependent on the fossil fuel industry for tax revenues and employment. Both due to climate change imperatives and the resulting demand uncertainty, governments of those countries must seek to balance the opportunity of developing fossil fuels against the longer term risk of stranded assets or low return assets. The plans and policies put in place should look to diversify their economies, alongside economic and employment policies for a just transition. However as these countries often lack the fiscal space to do so at the speed required, they should receive financial support from developed countries.

How does the campaign define abated/unabated fossil fuels?

- When talking about abated fossil fuel use, we follow the definition laid out by the IPCC: “interventions used in conjuncture with fossil fuels that substantially reduce the amount of GHG emitted throughout the life cycle, for example capture rates of CO₂ must be well over 90% from power plants or 50-80% of fugitive methane emissions from energy supply.” Storage must be on a geological timescale.

How does this work align with other existing commitments, initiatives and analysis on fossil fuels in energy transitions?

- *UN High Level Expert Group (HLEG)*
 - The HLEG recommendations for business and finance include an end to exploration for new oil and gas fields, expansion of reserves and oil and gas production. The Fossil to Clean campaign and the principles build on the strong base provided by the HLEG recommendations, but set a higher level of ambition and concrete targets.
- *Beyond Oil and Gas Alliance (BOGA)*
 - The BOGA declaration indicates the need to align oil and gas production with the objectives of the Paris Agreement, but it does not provide any concrete targets or dates. It is also largely for national and subnational governments.
 - The Fossil to Clean campaign builds on BOGA’s foundation and aligns with their work to date. The call to action for governments from BOGA is well-aligned with the principles for governments. In this way, the work of BOGA and this campaign should reinforce one another.
- *Fossil Fuel Non-Proliferation Treaty*
 - The Treaty calls for an immediate end to exploration and expansion into new oil and gas reserves and also calls for the phase-out of existing production in line with 1.5°C, but does not provide intermediary steps.
 - The Fossil to Clean campaign is mobilizing business to give a clear demand signal to phase out fossil fuels, and ramp up clean energy solutions through policy advocacy and via the principles. In particular we believe that our focus on international agreements and national policies are crucial short and medium enabling steps on the journey to an eventual Treaty to phase out fossil fuels.

- ***Powering Past Coal Alliance***
 - The principles are aligned with the PPCA Declaration. This is a powerful coalition of national and subnational governments, businesses and organizations working to advance the transition from unabated coal power generation to clean energy. The declaration sets forth a commitment to phase out coal by 2030 in the OECD and EU, and by no later than 2040 in the rest of the world
- ***Other ambition and action-oriented initiatives such as RE100, Sustainable Freight Buyers Alliance, EV100+, SteelZero, The Climate Pledge etc.***
 - The Fossil to Clean campaign will route companies to the most credible platforms for taking action to meet their net-zero and fossil fuels phase-out commitments, such as RE100, EV100, Mission Possible Partnership, Sustainable Freight Buyers Alliance, the Partnership for Carbon Transparency, the Climate Pledge and the First Movers Coalition. These initiatives are critical to the success of the Fossil to Clean campaign as they will help provide the solutions, policy and support needed to accelerate the phase out of fossil fuels.
 - By articulating a date when a majority of companies will stop using fossil fuels, the principles can help create certainty that these initiatives and campaigns can leverage to accelerate action and investment in clean solutions.
- If you seek to understand how the Fossil to Clean campaign and principles align with other commitments or initiatives not listed here, please get in touch:
FFPO@wmbcoalition.org

Should you have more questions, please reach out to We Mean Business Coalition at FFPO@wmbcoalition.org.