



Submission to the COP 30 Presidency Roadmap on the Transition Away from Fossil Fuels in a Just, Orderly and Equitable Manner

Fossil Fuel Treaty Initiative - a Project of Earth Island Institute

Introduction

The Fossil Fuel Treaty Initiative welcomes the COP30 Presidency's initiative to develop a Roadmap on transitioning away from fossil fuels in a just, orderly and equitable manner. Paragraph 28 of Decision 1/CMA.5 (the Global Stocktake) "recognizes the need for deep, rapid and sustainable reductions in greenhouse gas emissions in line with 1.5°C", and in that context, calls on parties to accelerate efforts in "transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner, accelerating action in this critical decade, so as to achieve net zero by 2050 in keeping with the science". Limiting warming to 1.5°C requires not only reducing emissions but addressing their source. For this Roadmap to be successful it must place the 1.5°C target at its core – and must therefore require an end to new fossil fuel expansion and a managed, equitable phase-out of existing production.

Many countries face structural economic dependencies that continue to lock them into fossil fuel reliance – whether as a source of economic revenue via fossil fuel production and exports or as a key component of their energy mix, leading to a reliance on fossil fuel imports. These barriers cannot be resolved through domestic policy alone. A new international governance framework – such as a Fossil Fuel Treaty – could deliver on the levers needed to address these barriers and fulfil the two-track multilateralism vision of the COP30 Presidency.

Coordinating a transition of this scale and complexity – in a way that is just and equitable across countries at different stages of development and across different groups of rightsholders, including

Indigenous Peoples and impacted communities — will require an international cooperation framework that can help create the conditions under which the transition can take place.

(a) What are the most critical barriers — whether physical, economic, financial, institutional, technological or social— preventing a transition away from fossil fuels?

Lack of international cooperation

Despite scientific consensus on the need to phase out fossil fuels, no international instrument regulates production. Obligations at the international level remain unclear, scattered across various instruments and customary international law, with no coherent or comprehensive framework to coordinate international action or enable a just transition. The Paris Agreement contains no explicit provisions governing fossil fuel supply, and further progress through the UNFCCC has been blocked by its consensus-based decision-making structure.

Without a legally binding instrument on fossil fuels, continued expansion will lock in emissions that undermine hard-won progress on demand-side action and emissions reduction, while an unmanaged and inequitable phase-out risks imposing the greatest costs on those least responsible and most vulnerable.

Continued expansion undermining the transition commitment

While 195 Parties agreed to transition away from fossil fuels at COP28, the expansion, exploration, and licensing of coal, oil, and gas production continue to threaten that commitment and lock in future supply. According to the Production Gap Report, countries are still planning to produce 120% more fossil fuels than would be consistent with the 1.5°C goal by 2030.

No managed phase-out framework

In the absence of international governance to enable a planned phase-out, fossil fuel production will decline in a disorderly fashion, imposing disproportionate costs on workers, communities, and fossil fuel-dependent nations. There is no international framework to ensure transition burdens are shared equitably, or that decommissioning is financed and planned in a way that protects those most affected.

Structural economic barriers to transition

Many low- and middle-income countries face structural obstacles to overcoming fossil fuel dependence, including debt repayment obligations and lack of access to fair and adequate finance and technical support to develop phase-out and just transition plans. These challenges are

exacerbated by a deeply unequal trade and financial system, and by credit instruments that continue to lock countries into fossil fuel dependence and expose them to growing stranded asset risks.

ISDS provisions as a barrier to policy ambition

International investment agreements allow fossil fuel companies to challenge climate-motivated transition measures through investor-state dispute settlement (ISDS), creating a significant chilling effect on domestic policy ambition. Because ISDS is a treaty-based system, it can only be effectively addressed either through direct amendments to existing treaties or through exceptions created by new binding legal instruments. This is a structural barrier that cannot be resolved through domestic policy action alone.

(b) What potential levers, whether economic, financial, institutional, social or technological, exist for accelerating the implementation of the transitioning away commitment?

The barriers identified above are structural in character. Addressing them requires more than incremental domestic action – it requires a set of coordinated international mechanisms capable of creating the conditions under which a just, orderly and equitable transition can actually take place.

Such mechanisms should support implementation pathways consistent with 1.5°C trajectories and enable countries to translate global commitments into practical action, while remaining responsive to national circumstances. This must include mechanisms that recognize and uphold Indigenous Peoples as rights-holders as defined under UNDRIP (Article 19), ensure their full and effective participation in decision-making processes, and incorporate Indigenous knowledge systems as a fundamental component of global transition pathways.

A new international governance framework

While the UNFCCC and Paris Agreement provide a critical forum for global coordination on climate action, the consensus-based nature of the COP process limits possible outcomes with respect to fossil fuels. This points to the need for a dedicated international legal instrument on fossil fuel phase-out: one that complements the Paris Agreement by addressing climate change at its root source, codifies and clarifies existing obligations, and provides the institutional architecture needed to establish and govern the cooperative mechanisms outlined above. Such an instrument would fulfil the two-track multilateralism vision of the COP30 Presidency by operating alongside existing frameworks – not in competition with them – and could be designed as a high-ambition coalition

open to all willing states, with the normative effect of stigmatising continued expansion even for non-parties.

The proposed Fossil Fuel Treaty - currently supported by 18 nation states - would meet the international cooperation needs outlined above. A Fossil Fuel Treaty can create the conditions under which states will be able to coordinate the managed phase-out of fossil fuel production, end new expansion, and support a global just transition. It would complement the Paris Agreement by addressing climate change at its root source - the production of fossil fuels - rather than through emissions accounting alone. A Treaty could:

- Establish binding commitments to phase out existing production and end new oil, gas, and coal licensing;
- Create cooperative mechanisms including a buyers-sellers club between producing and consuming nations, a debt resolution facility, and scaled-up public finance from developed to developing countries;
- Redirect existing financial flows away from fossil fuels, including by eliminating subsidies;
- Provide finance and technical support for countries to develop phase-out and just transition plans for workers, communities, and regions;
- Codify and clarify existing international obligations relating to fossil fuels; and
- Through a high-ambition model open to all willing states, stigmatise continued fossil fuel production globally - including for non-member states.

A Fossil Fuel Treaty can also provide the umbrella framework that can establish and provide the governance for each of the levers identified below.

Debt Resolution Facility

Debt repayment obligations are a significant and underappreciated barrier to fossil fuel transition, perpetuating dependence on fossil fuel revenues and crowding out investment in renewables. This makes the transition hardest for precisely the countries that most need support. A dedicated debt resolution facility would address debt distress as a structural barrier to transition, enabling countries to redirect fiscal capacity toward phase-out and diversification rather than servicing obligations that entrench fossil fuel dependence.

Global Just Transition Fund

Predictable financing is essential for fossil-fuel-dependent developing countries to facilitate a just transition. A Global Just Transition Fund could be financed by a combination of a levy on fossil fuel production - via an extraction or export levy, a royalty charge, or a windfall profit charge - and direct member state contributions from public finance. Finance would be directed to making the phase-out fiscally feasible for dependent states, ensuring clean alternatives are affordable and

scalable, and protecting workers and other vulnerable groups. This could also include addressing fossil fuel subsidies and broader economic distortions that continue to incentivise fossil fuel production and delay the transition through redirecting this finance towards the transition.

Buyers-Sellers Club

Many States' economies depend either on imports of fossil fuel products or their export, binding them in a shared web of energy trade and price volatility. A strategic trade partnership between fossil fuel importers and exporters committed to the transition could ease the transition by providing price certainty and market stability. For example, import-dependent countries could pledge to source fossil fuels exclusively from exporters that are committed to managed phase-out. This would create an early market signal rewarding producers who act in line with 1.5°C-compatible trajectories. Exporter states would gain the security of knowing they have committed buyers and price stability, providing them certainty of revenues that can be invested in renewable energy and green technologies to facilitate the transition.

Fossil Fuel Phase-Out Plans and End to New Expansion

National plans for ending expansion and phasing out fossil fuels are needed to enable countries to make informed investment decisions, provide certainty for workers and communities, and ensure the transition is transparent and equitable – minimising the risk of disruption and stranded assets. Phase-out plans should align with the 1.5°C target, reflect equity and common but differentiated responsibilities, and address the practical challenges of decommissioning, including liability, environmental remediation, and financing.

These plans must be paired with just transition plans that address how to support fossil fuel-dependent workers, communities, and regions. Transparency and accountability on production plans – for example, through a Global Registry of Fossil Fuels – would be an important complementary mechanism to ensure commitments are met. This should also encompass the plans and activities of national and international oil companies (NOCs and IOCs), whose production decisions and diversification strategies will be central to whether phase-out commitments translate into real-world emissions reductions.

Addressing ISDS as a Barrier to Transition

Existing international investment agreements – including those containing investor-state dispute settlement (ISDS) provisions – represent a significant barrier to ambitious fossil fuel phase-out policies, enabling fossil fuel companies to challenge transition measures through international arbitration. Revoking or annulling ISDS provisions in relevant investment agreements would prevent such claims and support countries seeking to exit agreements that promote or protect fossil fuel investment.

(c) What country, regional or sector roadmap experiences, best practices, and lessons learned can be shared?

While a globally coordinated phase-out of fossil fuels has no precedent, a growing body of national, subnational and sectoral experience offers relevant lessons for the design of transition roadmaps.

Resource management

National licensing and permitting decisions offer direct evidence of how resource management policy can constrain production. In December 2020, the Danish parliament terminated all oil and gas extraction by the end of 2050 and cancelled its ongoing eighth licensing round and all future rounds – a decision it described as an important step towards climate neutrality, accompanied by a just transition package for impacted workers and communities. Colombia's President Petro similarly announced a halt on all new fossil fuel licences in 2023, and the country subsequently endorsed the Fossil Fuel Non-Proliferation Treaty; as the world's fifth-largest coal exporter, this demonstrated the kind of bold supply-side leadership the Roadmap should encourage. Colombia is also now hosting (along with the Netherlands) the First Conference on Transitioning Away from Fossil Fuels in April 2026, further cementing this leadership. At the coalition level, the Beyond Oil and Gas Alliance (BOGA) and Powering Past Coal Alliance (PPCA) demonstrate that groups of willing states can establish coordinated supply-side commitments – including ending new concessions and setting Paris-aligned phase-out dates – ahead of broader multilateral agreement, creating normative pressure and momentum.

Financial markets

Emerging efforts to align financial regulation with transition goals offer early but important lessons. Moves by subnational governments in California and New York to divest state funds from fossil fuel companies, alongside proposals requiring banks to eliminate financed emissions – advanced in both the US Congress and the European Parliament – illustrate the potential of financial regulation as a transition lever, while also highlighting the political challenges of advancing such measures in the absence of a binding international framework.

Economic diversification

For many fossil fuel-dependent countries, transition requires not only a shift in energy sources but a fundamental economic transformation – including alternative sources of state revenue, employment and public financing. Colombia's ongoing consultations with stakeholders on which economic sectors can replace fossil fuel revenues, South Africa's Presidential Climate Commission process of broad civil society engagement on just transition pathways, and Gulf states' experience with diversifying national economies away from fossil fuel dependency, together illustrate both the

breadth of this challenge and the importance of inclusive, internationally supported planning processes.

Employment and community development

Ecuador's national referendum to halt oil expansion in the Yasuní national park demonstrates that supply-side decisions can be shaped through democratic processes, with communities playing a direct role in defining the boundaries of extraction. Despite challenges in complying with the referendum outcome, the mandate from citizens to stop drilling has created critical accountability and visibility on the issue. Community dialogue processes in fossil fuel-dependent regions across the world similarly illustrate that transitions are more durable and legitimate when co-designed with affected workers, communities and Indigenous Peoples from the outset.

The examples above are illustrative rather than exhaustive. The Fossil Fuel Treaty Initiative's [*Policymakers' Toolkit for a Just Transition from Fossil Fuels*](#) provides a comprehensive survey of national policy levers across eight domains – resource management, financial markets, fiscal policy, monetary policy, economic diversification, employment and community development, international support, and global economic governance – with concrete examples of measures countries have adopted or proposed and may provide further useful input.

(d) How can a just, orderly and equitable transition best reflect the diverse realities of countries at different stages of development and with different degrees of dependence on fossil fuels?

A credible Roadmap towards a just transition from fossil fuels must be built around equity at its core and anchored in the 1.5°C goal. The Fossil Fuel Treaty Initiative has developed – through over twenty global consultations with civil society, Indigenous Peoples, health, labour, youth, faith and human rights representatives – a framework of ethical principles to guide international cooperation that are equally applicable to the development of the Roadmap. These cluster around three pillars:

- **Justice:** the transition must be equitable (requiring wealthy, high-emitting nations to move first and fastest in line with CBDR-RC), enforceable (with accountability mechanisms, compensation and the polluter pays principle), holistic (recognising existing climate harms and the needs of those least responsible but most exposed), and post-extractive (ensuring communities have self-determination over resources – including critical minerals – on which a renewable transition depends).
- **Rights:** the transition must uphold the right to life, workers' rights and social protection, intergenerational rights, the right to health, and the rights of nature and stewardship – with states taking precautionary measures to ensure these rights are protected and promoted throughout.

- **The public good:** the Roadmap must serve public rather than private interests, prioritise energy justice and access for communities facing energy poverty, embed anti-colonial principles that address historic inequities rather than replicating them, and ensure that those with conflicts of interest cannot determine its outcomes.

These principles are elaborated further in the Fossil Fuel Treaty Initiative's report [Values and Ideals for a Fossil Fuel Non-Proliferation Treaty](#). Translating them into practice requires, at a minimum:

- **Ensuring the 1.5°C goal is at the core:** fundamentally a Roadmap to Transition Away from Fossil Fuels must do so in a way that limits the impacts of climate change-related destruction, and protects the greatest number of lives. This necessitates phase-out pathways in line with limiting temperature rise to below 1.5°C.
- **Differentiated timelines reflecting capacity and historical responsibility:** Countries with the greatest historical responsibility and the greatest economic capacity must move first and fastest. An equitable phase-out framework must incorporate differentiated timelines that reflect both historical emissions contributions and current fiscal capacity. The methodologies developed by Muttitt and Kartha (2020)¹ and the Civil Society Equity Review (2023)² provide a rigorous basis for determining who should transition first and which countries require greater support.
- **Just transition mechanisms for countries that need support:** The mechanisms outlined above – a dedicated debt resolution facility, a Global Just Transition Fund, a buyers-sellers club and international support for phase-out and just transition planning – are essential tools for ensuring the costs and benefits of transition are shared equitably. Without them, a commitment to transition risks becoming an obligation borne disproportionately by those least responsible for the climate crisis. The Roadmap should explicitly endorse these mechanisms and identify pathways for their establishment, including through new international cooperation.
- **Support for economic diversification:** For many fossil fuel-dependent developing countries, the challenge of transition is not only about the energy sector. Fossil fuel revenues often underpin debt repayment, government services including health and education, and broader economic functioning. Support for transition must therefore extend to economic diversification – helping countries build alternative fiscal and economic foundations, rather than simply facilitating a switch in energy sources. A roadmap that fails to address this

¹ Muttitt, G. and Kartha, S. (2020). Equity, climate justice and fossil fuel extraction: principles for a managed phase out. *Climate Policy*. <http://www.tandfonline.com/10.1080/14693062.2020.1763900>

² Civil Society Equity Review. 2023. "An Equitable Phaseout of Fossil Fuel Extraction: Towards a Reference Framework for a Fair and Rapid Global Phaseout." Preprint, Figshare. 0 Bytes. <https://doi.org/10.6084/M9.FIGSHARE.24669393>.

dimension will not be genuinely equitable, and will lack credibility with the countries whose engagement is most essential.

- **Participation of Indigenous Peoples, frontline and impacted communities and civil society:** Indigenous Peoples are disproportionately affected by fossil fuel extraction and climate change, while also playing a critical role as stewards of ecosystems and biodiversity. A Roadmap towards a just and equitable transition must therefore ensure the full and effective participation of Indigenous Peoples, respect for their rights and territories – including the principle of free, prior and informed consent (FPIC) – and the inclusion of Indigenous systems of knowledge in the design and implementation of transition pathways. In addition, frontline and impacted communities, cities and subnational governments and civil society organisations should have the opportunity to participate in efforts towards a global just transition.

Conclusion

The Roadmap offers a critical opportunity to set out a clear and credible pathway for transitioning away from fossil fuels. To be successful, it must remain firmly anchored in the 1.5°C temperature goal and articulate how this transition can be delivered in practice, while reflecting different national circumstances and development realities.

A clear and consistent signal towards ending new fossil fuel expansion is essential, alongside a managed and equitable phase-out of existing production in line with 1.5°C pathways. Delivering this transition will require addressing the structural barriers identified in this submission – including constraints related to finance, debt, and investment – and ensuring that transition pathways are equitable, inclusive, and grounded in the full and effective participation of Indigenous Peoples.

Stronger international governance will be necessary to align national efforts, enable coordination at scale, and translate shared commitments into practical implementation. In doing so, the roadmap can move beyond high-level ambition and provide a coherent and actionable foundation for a just, orderly and equitable transition away from fossil fuels.

Supporting resources

The following resources further articulate potential levers, equitable phase-out pathways, and how new international governance will support the existing UNFCCC regime:

- [Mutually Reinforcing: How a Fossil Fuel Non-Proliferation Treaty Complements the Paris Agreement and UNFCCC](#): research brief identifying how new international governance will complement and support the UNFCCC regime.

- [If It's Not Global, It's Not Just: How a Fossil Fuel Non-Proliferation Treaty Can Accelerate Finance for a Global Just Transition](#): research brief identifying mechanisms for facilitating finance and alleviating indebtedness to enable a global just transition
- [Debt Justice and Financing the Just Global Energy Transition](#): Indebtedness as a barrier to the transition and how international cooperation can support
- [An Equitable Phase Out of Fossil Fuel Extraction](#): Methodology for equitable differentiation of phase-out commitments
- [Policymakers toolkit for a just transition from fossil fuels](#): Policy levers countries can implement to transition away from fossil fuels
- [Fossil Fuel Exit Strategy - An orderly wind down of oil, coal, and gas to meet the Paris Agreement](#): An overview of equitable phase-out pathways aligned with 1.5C
- [Values and Ideals for A Fossil Fuel Treaty](#): Principles to guide new international governance on fossil fuels

Additionally, further resources can be found at: www.fossilfuel treaty.org/research