

2021 ANNUAL REPORT



European
Climate
Foundation

A young girl with long dark hair, wearing a pink top, is sitting in a field of daisies. The scene is captured at sunset, with warm golden light and a lens flare effect. The background shows a blurred forest. The entire image is overlaid with a series of concentric white circles of varying radii, centered on the girl.

Shaping a carbon-free society

A letter from the Supervisory Board

It is my pleasure to introduce this Annual Report, my last as Chair of the European Climate Foundation (ECF) Supervisory Board.

As Chair, it has been my continued honour to offer some of my experience and an outside perspective, from the fields of impact investment and entrepreneurship, to the challenge of helping the ecosystem of climate action grow.

Supported by the entire Supervisory Board and its distinguished members, I can look back with great pride at the accomplishments of the ECF, its grantees and partners in recent years.

This report describes a series of achievements in 2021 that seem remote in light of Russia's war, and yet underscore the importance of the European Green Deal's long-term roadmap. In doing so, they highlight the vital work of the ECF to support climate advocacy and strengthen the network of voices who can advocate for European leadership, within our societies and around the world.

From the Fit for 55 package, to COP26, to the strengthening of civic participation in climate action through Citizen Assemblies, as well as the encouraging climate commitments of the German coalition government which took office in late 2021, we see that the ECF network supported a wide spectrum of valuable action, all of which will no doubt prove invaluable in the challenging times we expect ahead.

As I reflect on these highly rewarding years working with the ECF Supervisory Board, I am struck by the unease we are all experiencing today with the Russian war. In addition to its horrific humanitarian toll in Ukraine, the war is an attack on Europe's energy choices and is directly connected to Europe's commitment to climate leadership. The ECF network has helped shape this position, in a way few would have thought possible only a few years ago.

Today, European societies are clear in what they wish to achieve: clean air, prosperity, a safe climate, energy security.



These aspirations are too strong to be undone, and I know that the ECF's capacity to support research, advocacy and mobilisations towards these goals will only be strengthened and clarified in times to come.

Finally, none of our work would be possible without the support of our funders. Their trust has matched our ambition. They have shown the vision to believe in Europe's climate leadership when it has mattered most.

I am proud to be associated with this exemplary Foundation. I thank you all for your support, your leadership and your commitment to climate action.

- Stephen Brenninkmeijer,
Chair of the ECF Supervisory
Board (2018-2021)



A message from Laurence Tubiana



Revisiting our 2021 priorities has become a challenging task. It requires, first, some nuance and humility: few could have anticipated the full extent of the upheavals, triggered by Russia's aggression, that have intervened since. Fewer still can predict where they will take us.

These tumultuous times put us all under pressure to ensure that the ECF network can drive European institutions to be focused and consistent, at home and abroad, in seeking the highest standards of climate ambition and integrity.

Already, climate action felt historically difficult last year. The pandemic strained the multilateral space. Now, Russia's war against Ukraine – and indirectly, against European unity and solidarity – exposes the fragility of our international system even further.

We contemplate a convergence of global crises: a military crisis, an energy crisis, an economic crisis and a hunger crisis.

All clarify the stakes for the climate crisis.

This mesh of crises shares one cause: the world's dependency on fossil fuels, which Russia has comprehensively weaponised.

Amid such volatility, it can be difficult to locate a constant trend through 2021, let alone a positive one for our future trajectory. But in my view, one does appear clearly.

Despite the continued obstacles, attacks and foot-dragging from many established interests, we see that the global framework for climate action – with the Paris Agreement at its heart – continues to prove its resilience.

The European Green Deal is the most advanced culmination of the Paris Agreement to date. Bolstered a year before by the Next Generation EU recovery plan, the release of the Fit for 55 package in July 2021 marked another phase of strengthened EU climate ambition.

Now, as Russia's full-fledged attack on Ukraine marks the return of war on European soil and causes EU Member States to make difficult choices in the name of energy security, one can only be impressed at how the RePowerEU plan, designed to wean Europe off Russian fossil fuel imports, has further deepened the EU's institutional resolve to decarbonise.

The work described in these pages has helped to shape the EU's resilience in many ways. The expertise, advocacy and mobilising capacities of the ECF network have all played their part in this outcome. In this regard, I am proud that this Annual Report so clearly underlines our critical and growing role in safeguarding the EU's – and the world's – climate ambition.

Yet all these areas appear vulnerable to further turbulence.

The integration of Fit for 55 files into Member States' legislation will meet the time-old challenge of implementation and compliance. We need every sector of society to stand on the right side of these reforms, support them and ultimately make a success of them.

The winter looms large. We contemplate the threat of gas shortages, spiralling energy prices, entrenched inflation and a global recession.

The work described in these pages has helped to shape the EU's resilience in many ways. The expertise, advocacy and mobilising capacities of the ECF network have all played their part in this outcome.

In parallel, the looming threat of a global food crisis exposing 1.6 billion people or more to hunger, in 94 countries has highlighted the limited toolbox we have in the EU and beyond to fix the broken food system. Concurrently, we see the resolve of the agro-industrial lobby in undermining the move to more sustainable farming practices as provided in the "Farm to Fork" reforms.

The trade-offs Europe is making to preserve its energy security are also leading to some difficult, disappointing and sometimes outrageous decisions: on the potential extension of coal power, on liquefied natural gas infrastructure overseas and on the sustainable finance taxonomy, to name but a few. While progress is being made along the road to net zero, the path to and through the 2030 milestone is far less encouraging.

For this reason, the COP27 in Egypt this year requires European leadership to be grounded in honesty, urgency and humility. The ECF has invested important resources to encourage European institutions to speak more cohesively and assertively on the international stage, elevating the concept of Just Energy Transitions and highlighting the influence of Europe's technical and capital assistance. The ECF network has also helped produce high-quality analysis on the potential of Europe's clean energy partnerships with other countries – an area that has vastly gained in importance since the war.

These tumultuous times put us all under pressure to ensure that the ECF network can drive European institutions to be focused and consistent, at home and abroad, in seeking the highest standards of climate ambition and integrity. To do so, our grant-making approach must go further in the direction laid out in

our strategic refresh: working with more flexibility and agility across sectors, European countries and the world, while pushing towards long-term goals and retaining the ability to respond in real time.

The road to the 2015 Paris Agreement taught me that philanthropy is singularly placed to go where other actors and donors cannot. Back then, it was clear that strategic grant-making, research, analysis and communications played a game-changing role in giving science and frontline communities their rightful place in the deliberations.

On a global scale – and in today's adverse context – there is far more we could still do to strengthen the capacities of youth, women and indigenous communities with the support to match their courage.

The choice is clear. We can be disruptors. Or we can see our lives disrupted by climate impacts and by those who enable them.

Thanks to supporters and partners like you, the importance of Europe's transformative role as a global security anchor – for lasting prosperity, a safer climate and a more peaceful era of renewable energy – will continue to grow.

- Laurence Tubiana, Chief Executive Officer

Philanthropic leadership towards a net-zero world

Who we are

The European Climate Foundation (ECF) is a major philanthropic initiative working to foster the transition to a net-zero society to ensure a healthy planet and sustainable living conditions for current and future generations. We are a nonpartisan organisation that lends strategic support to a wide network of partners at the national, European and global levels to activate public and political engagement and shape policymaking in response to the climate crisis. The ECF strives for a positive, people-centred and socially responsible climate transition in Europe and around the world.

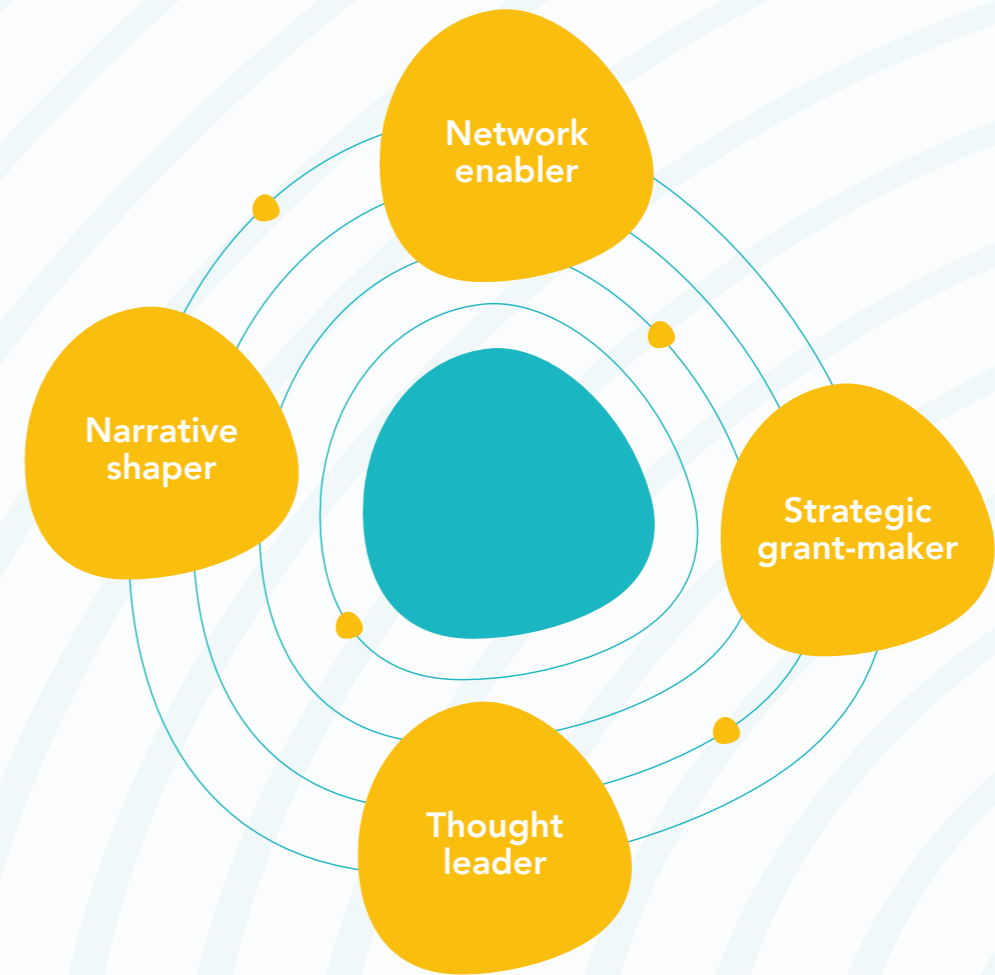
What we do

The ECF harnesses the power of philanthropy to accelerate the transition to a net-zero emissions economy. It helps grantee partners drive urgent and ambitious work in support of the goals of the Paris Agreement. In addressing the emission of all greenhouse gases, it works to limit warming to 1.5°C and to secure climate action by 2030 consistent with a just transition to net zero by 2050. In this race against time, the ECF aims to make climate philanthropy stronger, faster and smarter, with a clear impact-driven approach.

To execute its mission, the ECF embodies four core roles. As a **strategic grant-maker**, we provide funding to a broad range of organisations, ensuring diverse ventures and perspectives that facilitate the achievement of larger strategic goals while helping grantees build their capacity and capabilities. As a **thought leader**, we facilitate the growth of collective influence by coordinating across the climate movement and providing an innovative space for organisations and advocates to co-develop strategy. As a **network enabler**, we use our credibility to bring together key actors, spark cooperation and seek ever-closer coordination among the philanthropic partners of climate action. And as a **narrative shaper**, we create and align public and political messaging around the transition to a net-zero society, generating societal ownership and accountability for climate action.

Our mission: to help deliver a just transition to a net-zero society to ensure a healthy planet and sustainable living conditions for current and future generations.

Our core roles



Strategic grant-maker
We grant and re-grant to a wide range of organisations, ensuring a variety of interventions and perspectives.

Network enabler
Together with partners, we act as a network convenor and an incubator of new platforms and entities.

Thought leader
We provide a space for influential organisations and individuals to strategise and coordinate across the climate movement at large.

Narrative shaper
We create and align positive public and political messaging around the transition to a just, stable and net-zero society.

Building strategy for climate action in a time of crisis

We live in a time of crisis. Escalating and intersecting emergencies – ecological, political, economic and social – are rocking the global community. Advancing the ECF’s mission during these turbulent times requires an agile overall strategic direction, underpinned by a responsive structure that can quickly adapt to new situations. Since our 2017 strategic update, the ECF’s approach has evolved to address technical, political and social change across our work to achieve our mission of creating a decarbonised society.

In response to this evolution, the ECF conducted a **strategic refresh** in 2021 (see opposite page),

The European Green Deal represents a major breakthrough in climate policy, giving us the unique opportunity to design a new social contract where we align the goals of decarbonisation with those of equity and social justice.

incorporating these changes into the Foundation’s overall direction and building on strong groundwork to ensure an inclusive approach to tackling climate change – one that fundamentally reassesses the economy and society.

While climate action in Europe has made great strides, the world is currently not on course to limit warming to 1.5°C. The strategic refresh reaffirms the ECF’s mission to address this misalignment and reinforces the network’s objective to secure and capitalise on Europe’s climate leadership. In parallel, we are further broadening the international scope of our work in an effort to **deepen climate ambition in both Europe and the rest of the world**. Working through global ECF-hosted platforms, we are focusing on cross-border themes including trade, EU Green Deal Diplomacy, green finance and more to help accelerate the net-zero transition.

This decade is critical to consolidating a trajectory towards net zero: to build support for the transition, it will be essential to deepen commitments and avoid backsliding. We are working closely with partners to drive a **‘whole society’ approach** to climate action and build a positive vision of the future with a path to reach it. We must also avoid creating new opponents to action and alienating those we seek to serve. This will be achieved by considering the intersectionality of all climate issues and viewing our work through a broad social justice lens, ensuring that social impacts on citizens are mitigated.

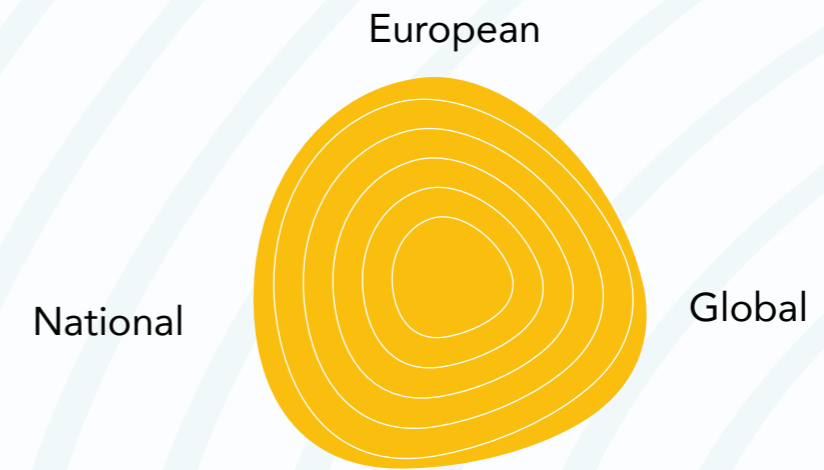
Within the three interlocking fields of action, **five strategic pillars** underpin our work and guide the concrete actions that will allow us to forge a carbon-free future. These pillars address the political, economic and social challenges that are impeding action around the world and represent the pivotal changes to the system that are necessary for the ECF’s mission to succeed. They reflect on key elements that must be considered if our work is to make progress in a time of crisis, such as greater emphasis on social justice in climate policy, engaging with citizens and increasing dialogue with those opposed to climate action.

The direction of the refresh will be operationalised through **three dedicated workstreams**: long-term programmes focusing on specific geographies and economic sectors; cross-cutting time-bounded campaigns applying an integrated approach to mobilise country-based and sector-driven efforts towards common goals; and an increased capacity for scoping, innovation and quick response.

This new strategic mindset will guide the ECF’s path in the years to come. The campaigns and pillars underpin our continuing efforts to meet the challenges of climate change by building out a more **agile and responsive** ECF. We are expanding our scope wider than ever before, working with partners from different corners of society around the world and, most importantly, building a positive, inclusive vision of the future that leaves no one behind.

Overarching objective
To decarbonise economies and societies through securing action by 2030 consistent with the transition to net zero by 2050, in order to limit warming to 1.5°C

Fields of action



Pillars

- 1 Reorienting the economic system towards social and planetary wellbeing
- 2 Mainstreaming social justice and equity in climate action
- 3 Building and sustaining cross-spectrum support for climate action
- 4 Empowering citizens to be the engineers and demanders of change
- 5 Addressing the backlash and stopping backsliding

Cross-cutting campaigns

Dynamic, integrated work streams to achieve specific aims over the short to medium term

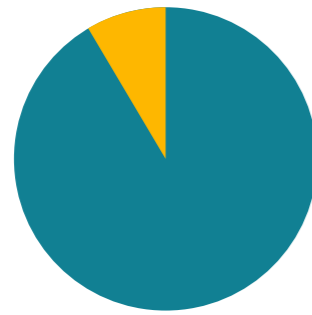
Long-term programmes

Work built over the long term, such as infrastructure the ECF has helped build or develop, and will continue to support

Innovation, scoping and quick response capability

Insight and knowledge of new areas where the ECF currently lacks capability, and responding to emerging, immediate needs

Financial overview



● Programmes
91.5%
 of total spending

● Other
8.5%
 of total spending



The following figures are based on our latest audited financial overview from the year 2021. Apart from administration and in-house projects, they represent regranting activities across various ECF programmes.

In addition to such programmes, the ECF incubates platforms to create and build out new institutions that are needed for climate action, supporting the develop-

ment of their activities, organisational growth and independence.

Excepting the number of employees, the above figures do not include the expenditures related to such ECF-hosted platforms, which are separate entities with their own governance structure and restricted funding. Please visit our website for more information.

Key figures

Building the network

Thanks to the support of our philanthropic partners, we provided 1,177 grants to 713 grantee organisations in 2021, covering a wide range of activities and diversifying our collaborations with new actors. With over 300 first-time partnerships, our ecosystem has developed and expanded to new areas of action. By reinforcing our existing partnerships and building further capacity within the climate movement, we created bridges between different sectors, connecting climate and environment players with a diverse set of non-environmental actors. We also engaged with new communities to broaden the scope of our work and increase our commitment to issues such as social justice and citizen engagement.

Due to the Covid crisis, we were unable to organise the ECF Partners Retreat in 2021. This retreat normally serves as an important moment to take stock of our strategy, as well as for the climate community to meet and strategise across organisations and with philanthropic actors. An ECF Partners Retreat and an ECF all-staff retreat are organised for 2022.

[Read more about our fundraising and grant-making here.](#)

1,177

grants

9
offices

281
employees

713

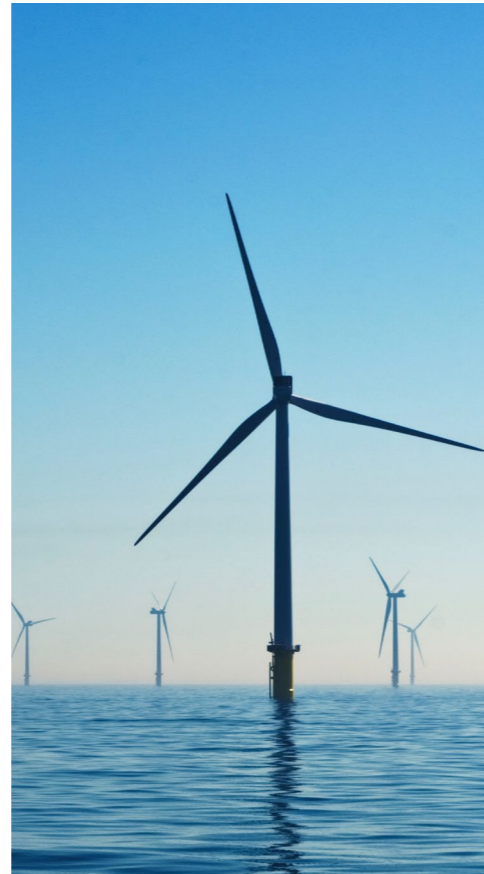
grantee partners

2021 in motion

2021 was a pivotal year for climate action, as governments and ordinary citizens alike fought to enshrine climate goals into national and international law. By harnessing the power of philanthropy to broaden support for the net-zero transition and to fight climate opposition, the ECF played an important role in reaching milestones for climate action across Europe and at the global level.

Fit for 55

The EU Green Deal is the new social contract. The net-zero transition is an extraordinary challenge, but it is also Europe's moment to shine.



All eyes on Fit for 55

In December 2020, EU leaders agreed to an ambitious and binding target to reduce greenhouse gas emissions by at least 55% by 2030. This was followed in 2021 by the delivery of the European Commission's proposal known as [Fit for 55](#), which laid the framework for a decarbonised and inclusive European economy. The EU's largest climate legislation package to date, Fit for 55 is an expansive draft of the bloc's climate and energy legislation, designed to put the EU on track to achieve this historic reduction target. Its objectives include targets for ending fossil fuel use, expanding the use of renewable energy and increasing sustainable mobility, which will require significant effort across all economic sectors.

The ECF network worked to encourage the European Commission to include concrete and ambitious policies that take social solidarity into account and are sensitive to both regional politics and global impacts. Using an integrated and cross-cutting approach to influence this extensive and complex set of laws and regulations, we identified their interdependencies and the potential for them to reinforce or undermine each other. We funded the production of well-timed research and pertinent analyses, examining legislation and showcasing options for policymakers that were used by ECF partners to brief governments about trade-offs and opportunities. Our ECF grantee

network coordinated cross-societal support at the EU and national levels, working with diverse stakeholders from grassroots organisations to more formal institutions. They fostered broad understanding, acceptance and support for the transition and the tools necessary to enable it. We also supported activities directly within countries to inform national positioning ahead of key votes, especially regarding emerging narratives related to Covid-19 and energy prices.

With the European Parliament, our network worked closely with key policymakers to secure an ambitious outcome. This was particularly important considering the weight and reach of incumbent lobbies. Our integrated strategic communications team helped shape the media debate, briefing key journalists and placing influential voices to promote constructive public dialogue.

Fit for 55 marks a turning point for EU climate legislation. As society moves into a phase when climate commitments must be translated into concrete results, our multi-scale approach of mobilising at the local, national and European levels is showing itself to be more pertinent than ever.

Anchoring the European Green Deal at the national level

While the road to decarbonisation has been defined at the EU level, the success of the [European Green Deal](#) will require expansive implementation at the national, regional and local levels. Bringing the EU Green Deal to individual countries was an important theme in 2021.

We developed a country-specific approach by supporting a network of think tanks across EU Member States to better align the Green Deal with national circumstances and priorities. For instance, in Italy, the debate about the EU fiscal rules was a better entry point than climate change. In France, any conversation of climate policies went hand in hand with supporting vulnerable households. In Bulgaria, the focus was on competitiveness despite a turbulent electoral context. We also supported partners in developing national work to help implement the EU Green Deal, such as on well-being indicators in Portugal, or on sustainable mobility and forestry in Estonia. The essence of this approach was captured in a doctrine piece published by the ECF CEO Laurence Tubiana in [Le Grand Continent](#).

Seeking to build national support for climate action across a broad spectrum of political and public opinion, the ECF worked with new partners to identify topics, messaging and stakeholders to engage key segments of the population on issues related to the net-zero transition. We commissioned audience research across several European countries, to better understand citizens' concerns and areas of interest in relation to climate. These insights formed the basis of an audience-targeted communications approach, and we shared findings with partner organisations to help them better communicate on these topics.

As improved distribution of information about climate solutions is necessary for the broad acceptance of large-scale policy changes, the ECF developed initiatives to encourage media organisations to better cover topics related to climate action and the European Green Deal. These included helping journalists understand and report on the transition to net zero and its implications for their respective countries as well as building new journalistic networks for those interested in these issues. We also incentivised senior editors and audio-visual industry stakeholders to better integrate climate action into productions and initiate a cultural shift around climate coverage.

EU Green Deal in countries



Mobilising against gas in the EU Taxonomy

Directing investments towards sustainable activities is key to achieving the EU's climate and energy targets in the context of the Green Deal and the Paris Agreement. Yet uncertainty around the definition of a 'green' investment poses a great challenge. To address this, in 2020 the EU published the Taxonomy Regulation, setting out conditions that an economic activity has to meet in order to qualify as environmentally sustainable. This taxonomy had the opportunity to become the first international gold standard for sustainable finance.

In response, the ECF set up a Taxonomy Working Group to mobilise a diverse coalition of organisations such as NGOs, think tanks, consumer organisations and investor associations to work towards the same goal: avoiding greenwashing in the financial system. In 2021, this moved towards a truly aligned strategy with the goal of excluding gas from the EU Taxonomy.

Many members of the working group took an active role in the EU Platform on Sustainable Finance, which was created by the European Commission to enable cooperation among key stakeholders in developing sustainable finance policies. With support from the ECF, they contributed directly to the technical development of the Taxonomy, shaping a set of ambitious climate criteria.

Alongside these efforts, we helped the working group raise pressure and put the EU Taxonomy at the centre of the public debate, especially in EU media outlets and targeted social media. This work became all the more critical following the news that the European Commission planned to include gas in its proposal, which opposed the scientific recommendations of its expert group and defeated the purpose of helping investors distinguish green investments from greenwashing.

In the lead up to the European Parliament vote on this proposal, a cross-party coalition of Members of the European Parliament (MEPs) took a public stand against gas, which was a major achievement for the ECF and the coalition. While they ultimately failed to obtain a majority in the chamber to reject the European Commission's proposal, the close vote showed the growing concern among MEPs about climate change and energy dependence. Such concern now goes beyond the traditional green forces and extends across the whole parliamentary spectrum.

At the time of writing this report, the Russian invasion of Ukraine has intensified the energy crisis and has shifted the focus towards energy security. The EU Taxonomy remains to be adopted by the European Council, and the inclusion of gas could eventually lead to locking-in further fossil fuel investments. The coalition will work to prevent the inclusion of gas in the Taxonomy from affecting other EU files and to discredit any list of sustainable investments that includes fossil fuels.

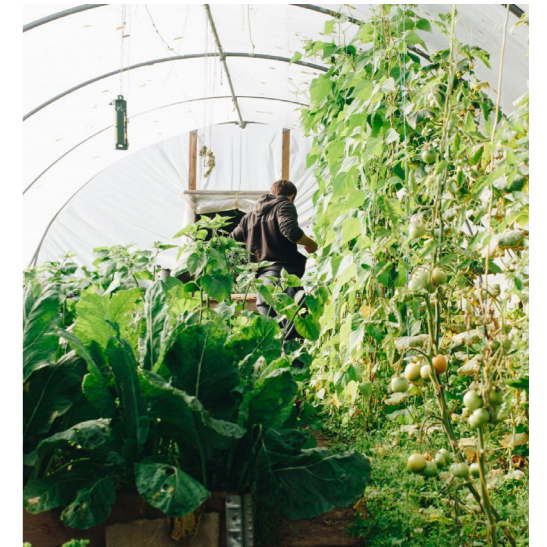
Farm to Fork

Planting the seeds of new EU agricultural policy

The EU Green Deal provides a unique opportunity to accelerate Europe's transition to sustainable farming and food systems. However, powerful vested interests together with the entrenchment of the Common Agricultural Policy pose a complex challenge to our work in this area.

In 2021, the ECF network was particularly active in working on the EU's Farm to Fork strategy, a key part of the EU Green Deal efforts to slash the use of fertilizers and pesticides. The ECF supported Europe's largest coalition of civil society groups working on food policy, which aims to counter efforts to water down the proposal. We helped formerly overlooked stakeholders, such as small- and medium-scale farmers, amplify their demands for more sustainable agriculture, all while mediating between groups to ensure a cohesive and united voice. We supported farmers' associations, civil society organisations and other grantees who published a series of statements, open letters and position papers outlining priorities for a truly sustainable Farm to Fork strategy and the regulatory tools to implement it.

The ECF also played a key role behind the scenes in October, when the European Parliament seemed poised to reject Farm to Fork following extensive lobbying by the agriculture sector. We funded investigative journalism to expose lobbying strategies and disinformation, and coordinated with NGOs, MEPs and industry groups to distribute this information to wider audiences. The European Parliament finally adopted the Farm to Fork strategy by a large margin.



The year 2021 was also critical in efforts to address deforestation caused by European demand for commodities such as soy, leather and cocoa. After years of civil society campaigns, the European Commission included plans for a new law on deforestation-free supply chains in the EU Green Deal. However, there were signs in September 2021 that the Commission wanted to reduce the scope of the draft legislation following intensive lobbying by the farming sector. ECF grantees responded by coordinating research and advocacy efforts, including studies, reports, meetings with decision makers and a joint letter to the Commission that was widely covered in the European media. Our grantees also amplified the voices of people from regions affected by deforestation. The European Commission finally proposed what is to date the world's most ambitious legislation to curb deforestation, sending an important signal on the global stage.

Despite the success achieved by the ECF network in 2021, the transition to sustainable farming has recently become one of the most contentious issues on the agenda of environmentalists, industry groups and policymakers. Following Russia's invasion of Ukraine, fears of global food shortages and rising food prices have put policies backed by the climate community in peril, including those in the Farm to Fork strategy.

Moving forward, the ECF will strengthen efforts to bring together a wide range of influential actors to secure these sustainable farming policies.

EU Taxonomy

The value of the Taxonomy is to drive the deep change we need to reach net zero emissions by 2050. The close vote at the European Parliament showed the growing concern about climate change and energy dependence.

Climate laws

A new chapter in Europe's climate history has begun: the EU has become the first of the world's three largest emitters to implement a climate law, making the objective of climate neutrality legally binding.

Enshrining carbon neutrality in the law

2021 saw a number of unprecedented European legal milestones, which represent the culmination of several years' work by the ECF and our grantees.

At the international level, the EU became the first of the largest carbon emitters to make the objective of net-zero emissions by 2050 legally binding with the [EU Climate Law](#). Since 2017, the ECF has supported many organisations in shaping this law. We coordinated analysis and advocacy across partners, and grantees spearheaded years of thought leadership on what constitutes a climate law and core elements of best practice. We also established the EU Climate Law Hub, which quickly became the primary resource for governance experts and advocates of a robust climate law at the EU level, and we developed strong relationships with key figures. The Hub was instrumental in putting forward proposals for the EU climate law which were considered by the European Commission, and in carrying out intensive, coordinated advocacy efforts throughout the adoption process.

At the national level, Spain adopted its [Climate Change and Energy Transition Law](#). Following the Spanish government's 2016 pledge to adopt such a law, the ECF worked for its advancement by developing new partnerships and a citizens' network to collaborate on climate solutions and build support for action. We set up a coordination structure for core partners to work on joint initiatives, such as proposing amendments to the law – most of which were included in the final text. We also supported mobilisation campaigns and strategic communications to foster a positive public environment for climate action debate.



In Portugal, Greece and Bulgaria, ECF-funded partners pursued similar action. Thanks to cross-party support, Portugal adopted its climate law in late 2021. ECF grantees were involved in drafting the law and in high-level advocacy, including presenting at a hearing in the Portuguese Parliament.

In Greece, the ECF helped launch the conversation about national climate legislation, with initiatives to develop a science-based climate law framework. ECF partners set up a scientific committee to back up their law proposal and created a participatory online response tool for citizens to comment on it. It proved very popular, garnering positive and ambitious suggestions. The Prime Minister subsequently convened a committee to draft and establish a national climate law, whose final text was adopted in May 2022. It ultimately featured several policies proposed by grantees.

In Bulgaria, the ECF supported partners to launch a conversation about the need to reopen the existing national climate law to bring it in line with best practices. The then Environment Minister announced his willingness to launch a review, which is now ongoing.

These outcomes are in large part the result of sustained strategic engagement by the ECF and our partners. While there remains much work to be done to move Europe toward a decarbonised future, these outcomes add momentum to international efforts to transition to greener, more sustainable societies. The ECF continues to work to ensure the implementation and continuous improvement of national climate laws.

Germany pulls ahead in the race for a sustainable future

Germany's 2021 federal election featured climate as a key policy issue, a first globally. The winning coalition of Social Democrats, Greens and Liberals has built a progressive climate vision for their government, accelerating Germany's coal phase-out to 2030 while massively scaling up the country's share of renewable energies to 80%. ECF grantees substantially contributed to making climate a mainstream political topic during the election and facilitated Germany's most ambitious climate policy agenda to date, known as *Energiewende*.

Ongoing work with centre-right stakeholders helped open the doors to working across the liberal-conservative spectrum. To expand our reach beyond progressive audiences, the ECF supported the founding of a climate and energy think tank that built a network of high-ranking politicians across the political spectrum. An ECF-funded CEO alliance mobilised voices at key moments in 2021 to show business support for the climate transition, by publicly calling for ambitious climate policies in the new coalition legislation. In addition, we targeted conservative and other harder-to-reach audiences in the run-up to the elections with a new digital campaign entity and a project to increase climate coverage in local media.

To impact the political debate, key grantees published several studies in 2021, outlining possibilities and expectations in key sectors such as energy in

preparation for the coalition talks. Grantees also nourished constructive debates with relevant stakeholders and parties, in the form of public statements, briefings and roundtables.

Another priority of the ECF was to leverage citizen mobilisation. Our support helped organise a record climate strike just before the election, with 600,000 attendees. Many young activists that argued for generational justice and ambitious climate policy were highly visible in media discourse. We also supported grassroots movements and campaigns encouraging citizens to mobilise for climate change. The ECF work was built around insights from several in-depth surveys about climate perceptions in different segments of society.

While Germany is making strides in their approach to climate action, the war in Ukraine that began in 2022 has brought uncertainty into the government's goals and ambitions. On the horizon, there remain many challenges to overcome, from rising energy and living costs to opposing political convictions.

German Elections

While it may not be as ambitious on all climate-related topics, the new coalition treaty is by far the most progressive one we have ever had in Germany.



Democratic processes such as climate assemblies will play a key role in achieving a fair and successful transition to climate neutrality.

Citizens take the reins

[Citizen assemblies](#) have been a key driver for engaging citizens in shaping climate policies at the national and local levels. Promoted by civil society organisations, they engage everyone to learn about, deliberate on and make recommendations around different aspects of the climate crisis and the required solutions.

After working closely with Climate Assembly UK and the French Citizen Convention on Climate in 2019 and 2020, the ECF expanded its work in 2021 to advance similar initiatives across Europe, notably in Austria and Spain.

The Spanish national citizens' assembly on climate change began in November 2021, bringing together more than 100 citizens from all walks of life to address and discuss how to build a safer and more equal Spain in the face of climate change. The ECF and its partners played a key role, pushing for a citizen assembly on climate to be included in the Spanish climate law adopted earlier that year and providing support to other actors in how this could be done. We funded activities to support governance and stakeholder engagement around the assembly and to help build bridges with civil society. Unlike other similar assemblies, the Spanish one was the first to address the issue of climate adaptation in a national climate assembly.

Citizen assemblies



The Austrian national climate assembly began in December 2021 and resulted in 93 recommendations published in July 2022, including the fundamental right to climate protection and the abolition of climate-damaging subsidies. During this process, the ECF network ensured two key innovative features. First, we helped set up liaisons with different stakeholders, such as climate NGOs, trade union confederations, chambers of commerce and more, some of whom published papers framing their own hopes or expectations from the assembly. Second, the ECF helped establish a thorough, scientific evaluation project on the assembly.

In 2021 we also launched the Knowledge Network on Climate Assemblies ([KNOCA](#)), a unique initiative dedicated to democratic climate action. This new network of around 500 individuals from over 39 countries brings together expertise from citizen assemblies to facilitate the sharing of best practices and foster further understanding about how these insights can be applied to address the climate crisis. It has become a go-to reference for all those involved in climate assemblies or considering organising one and is increasingly being sought out for advice by government ministries.

COP26

A critical COP26

The 26th UN Climate Change Conference of the Parties (COP) in October 2021 in Glasgow was arguably its most critical since COP21 in 2015, as the fate of the core 1.5°C warming limit of the Paris Agreement hung in the balance. [COP26](#) was a key priority for the ECF, with interventions ranging from NGO campaigns to high-level diplomatic efforts.

The Foundation supported civil society mobilisations beyond the climate movement. Ahead of the conference, ECF grantees in the UK campaigned to pressure the British government to hold an ambitious COP. We also funded the organisation of climate rallies for a Global Day of Action, in the UK and around the world, and supported the launch of the Global Citizens' Assembly for annual COPs.

In parallel, ECF CEO Laurence Tubiana held conversations and convenings at the highest levels to convey expectations for an ambitious 'Glasgow Package'. This was further amplified by an ECF-led global high-trust network, which raised key asks and propositions through coordinated interventions. It also served as a cooperation and intelligence hub for civil society, including organisations unable to attend the COP in person, with daily updates on the state of negotiations. Additionally, we deployed efforts to leverage European Green Deal diplomacy to support significant EU engagement at COP26.

During the COP Energy Day, the ECF launched the Coal Asset Transition Accelerator (CATA), a new initiative incubated by the Foundation and funded by

several philanthropic organisations. CATA provides a unique global platform to empower governments, utilities, companies, financiers and civil society organisations with the latest resources and best practices to implement and scale coal transition mechanisms globally with a focus on social justice.

Additionally, we engaged with partners to further discuss the future role of climate philanthropy, fostering a wider opportunity for philanthropic actors to promote and support climate action.

While COP26 fell short of new, immediate action on many issues, it represents considerable progress in high-focus areas, and the 1.5°C warming limit managed to survive, though just barely. Yet the dissonance between long-term plans and actions, a lack of accountability and the risk of greenwashing were all flagged as serious potential obstacles to decisive climate action.

In 2022, COP27 in Egypt will be another key moment for the ECF. In the context of a diminished space for multilateral cooperation, demonstrable progress on previous commitments will be needed to rebuild trust and willingness to address overlapping climate, energy, food and health crises.

COP26 also marked the fifth anniversary of the [2050 Pathways Platform](#), an ECF-hosted multi-stakeholder initiative on long-term low-emission strategy (LTS) development, presenting an opportunity to physically bring together various actors working on LTS under one tent.

The Platform played a crucial role before and during the Glasgow talks in bringing together actors and organising efforts to maintain momentum on LTS, including securing a renewed and strengthened mandate for LTS within the UNFCCC process.

COP26 showed that the Paris Agreement is working, but things are progressing too slowly. Net zero is the new geopolitical reality, and greenwashing and climate transition delays represent significant threats to global progress.

Global Energy Transition

Accelerating the international shift to renewables

The Covid-19 crisis has underscored the need for a more resilient society and economy. Meanwhile, unprecedented investments from pandemic recovery programmes have created a unique opportunity to accelerate the low-carbon transition. While in 2020 the ECF and its network put a strong emphasis on ensuring that the EU's recovery strategy would be aligned with the ambition of the European Green Deal, in 2021 we intensified efforts to help support this transition at the global level and scale up renewables as an alternative to fossil fuels outside Europe.

We worked with a range of grantees to help ensure a progressive vision for the EU's international role on energy. In the past, the EU has sent mixed signals to third countries in its energy-related development assistance, such as failing to take a hard line on fossil fuel projects or provide adequate support for renewable energy initiatives. To help address this, the ECF supported a number of think tanks in their research on EU technical and capital assistance to countries in Africa and on the EU's Eastern borders, including Ukraine. This research played a key role in demonstrating the EU's untapped potential to support the global energy transition. Subsequently, the European Commission published its first-ever International Energy Strategy in May 2022, which was accompanied by the REPowerEU plan to reduce dependence on Russian fossil fuels and fast-forward the green transition. While this is still a work in progress, it represents a good first step in leveraging EU diplomacy and development assistance to accelerate the shift to renewables.

The ECF also worked at the global level by supporting a multi-partner campaign to ensure that the International Energy Agency (IEA) included a robust Net Zero Emissions by 2050 Scenario (NZE) in their landmark 2021 World Energy Outlook. The IEA already had several scenarios nearly aligned with the Paris Agreement, but they did not indicate a



clear path for reaching net-zero emissions by 2050. In response, the ECF backed an array of energy-focused NGOs who developed research and white papers, liaised with key stakeholders, and carried out advocacy campaigns in the strive for a strong net-zero scenario. In May 2021, the IEA finally released its NZE, laying out a clear set of milestones for the energy sector to reach net-zero emissions by 2050. Critically, it showed that the 1.5°C pathway is still feasible, though the window for action is narrowing.

Alongside these efforts, the ECF and its partners also produced new research showing how a green recovery can deliver large-scale job creation as well as contribute significantly to decarbonisation efforts. In July 2021, we collaborated on the official G20 launch of a [global report](#) on a pipeline of 13,000 "shovel-ready" renewable energy projects in 47 countries that could be activated to help deliver jobs, economic growth and emissions reduction. The research, titled "A clean COVID-19 pandemic recovery: the global opportunity," helped start a dialogue on how the private sector, G20 governments, developing nations and international financial institutions can be instrumental in unlocking the full potential and benefits of a renewable-led recovery. Now, as the Russian invasion of Ukraine has underscored the need for an accelerated transition to clean energy, this research has become more critical than ever.

Future perspectives

As environmental and political crises proliferate around the world, communities are struggling to adapt to new ways of life and threats to their livelihoods. In 2022 and beyond, the ECF will continue to address these issues and fight to ensure a better quality of life and a brighter future for all.

War in Ukraine

There is a legacy of EU fossil fuels that has brought us to this point. But the European Green Deal represents a new way forward for energy sovereignty – it can be a vehicle for offering solidarity and social protection as well as a peace project.

A cross-cutting response to the war in Ukraine

The Russian invasion of Ukraine is a political, social, economic and humanitarian tragedy that the ECF is responding to with determination and humanity. The war in Ukraine has forced millions of people to flee their homes, with neighbouring countries absorbing a significant influx of refugees and economic shocks that will last an unknown, possibly lengthy period of time. The war has redrawn political and energy landscapes both in Europe and internationally and has brutally exposed Europe's entanglement with foreign energy supplies, demonstrating the imperative need to cut dependence on Russian fossil fuels. It has also impacted the larger global economy, provoking sharp rises in commodity prices and threatening persistent high inflation, in addition to sparking fuel and food crises worldwide. In such challenging times, solidarity with those most affected must be the priority.

The transition to clean energy has always been essential to averting dangerous climate change, but now it is also central to meeting peace and security goals. Accelerating the energy transition to move away from coal, oil and gas can have



a transformative impact on EU energy usage as well as the bloc's energy sovereignty. The ECF has started implementing several cross-cutting approaches to encourage this shift. These include supporting affected partners and their families in Ukraine and Eastern Europe; identifying priority policy areas for the European energy transition to reduce dependence on fossil fuels and avoid competition with food production; encouraging citizen mobilisation to call for bold action and promote international solidarity; and investing in the future of Ukraine and its reconstruction. Beyond this, we must ensure that Europe and the climate movement support those most vulnerable to the growing energy and social crisis without compromising climate ambition.

ECF campaigns

Building new approaches to meet intersecting challenges

Climate change imperils every aspect of our lives, from health and prosperity to global peace and human security. Continual and interconnected emergencies – ecological, political, economic and social – are rocking the global community, including in Europe. These crises are dynamic, intersecting and ever-evolving – they are here to last. If we are to achieve the ECF's core mission, we must respond with agility and flexibility that is founded upon deep insight, as well as with broad-based collaboration and collective activism. To better integrate our work across complementary sectors and levels of action (local and national, European and international) in 2022 and beyond, we will be further developing the following cross-cutting campaigns to accompany our long-term programmes.

Landing an ambitious EU Green Deal: This work focuses on securing European policies to translate and anchor the ambition of the Green Deal in legislation and regulations, with strong social justice considerations. We will broaden our grantee network, support progressive coalitions and forge new alliances with a diverse array of stakeholders to mobilise actors from all parts of society. Our objective is to land an ambitious EU Green Deal that will provide not only the foundations for climate action in the 27 EU Member States but will act as a driver for real global change.

Fight the backlash – build for the Green Deal: Our aim is to build a critical mass of citizen support for climate action, which in turn can secure vital political support to avoid climate backsliding in the short term and ensure a suite of necessary long-term climate policies. To do this, we will use detailed data on public opinion and insights on emerging trends, and prioritise our interventions based on evidence for the highest risks of backlash and to the overall EU Green Deal project.

Fossil-free energy: We aim to push decision makers and citizens across Europe to acknowledge the need for phasing out all fossil fuels, including natural gas, and to embrace key clean energy solutions, primarily solar, wind and electrification. The ECF will back a vocal, diverse coalition in support of wind and solar power, reinforce campaigning against gas projects at a local level, consolidate coal phase-out in Eastern Europe, accelerate the switch away from

gas for heating homes and key industrial sectors, as well as promote social justice within policies.

Target true zero: This campaign seeks to support the establishment of global standards for defining and assessing net-zero commitments, pushing for 'true net-zero' legislation while combatting false solutions and denouncing 'fake net-zero' pledges. We will focus on building consensus on what 'true zero' is, including the role for offsets, removals and innovation, considering the implications for people and ecosystems. We will maximise our role in the UN and international fora and continue to work on an accountability framework for national net-zero targets.

Green Deal diplomacy: Our goal is to push the EU to use its market and financial power to accelerate the transition in other countries, making the European Green Deal a focus for diplomacy and cooperation, and to leverage its potential to set international gold standards while offering proof of concept for a whole-economy, whole-society transition towards climate neutrality. We will strengthen the EU focus on adaptation and resilience and increase public scrutiny of EU action and finance that is not aligned with the Paris Agreement.

Trade for climate: Our objectives are to foster a closer integration of climate in the EU's trade policies to harness trade for climate action and avoid having trade policy objectives trump climate. These require acting on multiple fronts: on domestic policies with an impact on EU trade, on free-trade agreements and other EU trade negotiations and on the multilateral front, as initiatives for integrating the Sustainable Development Goals in trade policy multiply at and around the World Trade Organisation.

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