Subject: Renegotiation of the Energy Charter Treaty: alignment with the Paris Agreement before the 2021 COP and next steps envisaged by the EU

The European Green Deal sets the goal of achieving carbon neutrality by 2050. Reaching this target – which requires a profound energy transition – is paramount to curbing global warming and preserving our future.

However, the European Union and most Member States are parties to the Energy Charter Treaty (ECT), which could protect EUR 2.15 trillion in investments in fossil fuels by 2050 against public policies aimed at phasing them out.

The treaty undermines any regulatory attempt to change the crashing course of fossil fuel consumption and forces EU citizens to pay for the life insurance of fossil fuel investors. While a ‘modernisation process’ is ongoing, the EU’s call for the alignment of the treaty with the Paris Agreement will most likely fail to achieve unanimity among all parties.

1. Considering that substantial reform is urgently needed, does the EU have a deadline for the ongoing modernisation process to prevent it from dragging on?

2. The EU is bound to submitting its enhanced determined contribution to the Paris Agreement at the November 2021 Conference of the Parties (COP) in Glasgow. Will it commit to withdrawing from the ECT, as Italy did in 2016, if the modernisation process has failed to align the treaty with the Paris Agreement by then?