



February 17, 2023

Dear Members of the Dutch Parliament,

RE: REQUEST TO CLOSE GAPS IN THE DUTCH POLICY ON LIMITING PUBLIC FINANCE TO FOSSIL FUELS

We, the undersigned environmental and human rights civil society organizations (CSOs) working to promote environmental conservation, climate justice, just energy transition, and human rights in the global south, take this opportunity to thank The Netherlands for the good diplomatic relations that you are bridging between our countries.

While these relationships are well-intended, we are concerned about the continued support and promotion provided by the global north countries, including The Netherlands, via their Export Credit Agencies for the development of the fossil fuel industry in the global south.

We thank the Netherlands government for developing the Dutch policy on ending international finance support for fossil fuel projects. We also thank the Netherlands government for allowing the public - including citizens from the global south - to participate in a public consultation process. Nonetheless, we are concerned about several loopholes within the policy. These gaps could be used to continue investing in and supporting fossil fuel projects in our countries amidst the existential environmental, human rights, economic and climate impacts these projects have on our lives and livelihoods.

Below, we highlight the loopholes in the policy and how they stand to impact our people in the global south.

1. The transition period:

The Dutch policy allows for a transition period during which new applications received before the end of 2022 can be insured until the end of 2023. These could include fossil projects in the global south. ***By creating this transition period, the Dutch policy will be overruling the COP 26 Glasgow statement deadline for ending fossil fuel support by the end of 2022. This might stimulate other signatory countries to copy this, and as such, could allow for ECA support for fossil projects all over the world that will run for decades. This snowball effect would be disastrous, especially to those of us in the global south faced with the daily human rights, environmental and climate impacts of these fossil fuel projects.***



2. Energy security exemption:

The Dutch policy is the first to introduce an energy security exemption. Previous signatories to the COP 26 Glasgow statement that have published their policies did not allow continued support for reasons of energy security, as they recognize that ECAs are not the best vehicle for combating the urgent energy crisis as fossil projects take years to develop.

This loophole will impact Africa severely, as the European Union is actively looking at African countries to cater for European energy needs caused by the Ukraine-Russia crisis. This means African countries will start intensifying and developing fossil infrastructure, with all the associated risks in terms of economics (stranded assets), human rights violations, environmental and climate change impacts that come with it.

Furthermore, this approach risks undermining a just transition to renewable energy (RE) in African countries, by undermining investments in Africa's abundant renewable sources, in which we have a comparative advantage. Moreover, the extracted fossil fuels will primarily be used for the European Union energy market, thus making the "development myth" that is being promoted to justify this a farce, as it will still leave African people without energy access. Renewable energy is the only sustainable way forward for Africa, in terms of our economic development, our climate resilience and addressing the energy poverty that millions of African citizens face.

3. Key exemptions to which a 1.5C alignment requirement applies:

3.1. Exemption for support to existing fossil fuel infrastructure

The policy allows support for existing fossil fuel infrastructure, as long as this does not extend the economic lifetime of the infrastructure. It is unclear how the government will assess whether a project extends the economic lifetime of existing infrastructure or not. Furthermore, the term "existing infrastructure" is not defined, which raises the prospect that new infrastructure built by other companies or supported by other financiers could still be supported in the future (once they "exist").

We are aware that many industrialized nations, including your home country, are advocating a switch to renewables at home; however, it seems these commitments are abandoned as soon as your companies cross the border and continue to push dirty energy, and as such, contribute to climate change. This loophole on exemptions could be used to continue the fossil dependency by continuing to support existing fossil infrastructure, which will impact the just transition capacity of African countries. If there are no clear conditions or definitions set, this allows for misuse.



3.2. Exemption for continued support to gas-fired power in low-income countries

Similar exemption criteria to the UK policy apply (only for low-income countries where alternatives are not available). *The problem with this exemption is that many African countries have not been/will not be able to develop alternatives, due to their fossil fuel dependence. The UK policy therefore also contains additional criteria, by requiring an analysis to demonstrate that the exception support does not jeopardize the transition to renewable energy. The Dutch policy does not contain this important clause. Because so many African countries are low-income, with significant energy poverty and thus little investment in renewable energy, this Dutch policy exemption could be abused to continue fossil development in our countries, undermining our long-term development and economic and climate resilience.*

4. Concerns related to the just transition:

While being a firm part of the COP 26 Statement, just energy transition principles are not mentioned in the Dutch policy when it comes to support for green projects via ECAs. There is a real risk of stimulating green projects that are not in the interest of local communities and only favor Dutch business interests. *It is clear that maintaining the extractive model that has plagued Africa for so long, undermines its peoples' energy access and right to a just transition to renewables.*

5. Our prayers

In light of the above concerns, we are requesting that you review the policy to:

1. Exclude ECA support for all fossil fuels (including fossil gas), associated facilities, and large hydro plants, and align foreign trade policies with the 1.5°C Paris Agreement target and the SDGs. Immediately end ECA and public finance support for fossil fuel projects in the global south. Do not water down the Glasgow commitment as the current Dutch policy does, but align with the high standards that other signatories have demonstrated.
2. Incorporate consideration of gender equality and the specific concerns, needs, and rights of marginalized and vulnerable groups in all project assessments. Communities should be enabled to exercise their right to free, prior, and informed consent (FPIC) in relation to any project that ECAs are (potentially) involved in.
3. Adhere to the highest standards of transparency. Publish detailed CSR due diligence reports and monitoring plans. Ensure the environmental and social audits are undertaken in accordance with international laws, regulations, and best practices.



4. When supporting renewable energy projects, ECAs should apply a "just transition" approach by embracing the following key values: respecting human rights and do no harm principles (include FPIC); promoting equitable, inclusive, and community-led renewable energy development and not merely Dutch business interests; and building resilience with an intersectional and gender perspective.

Thank you.

Signatories

No	Name of the Organisation	Country
1.	Environment Governance Institute	Uganda
2.	Africa Institute for Energy Governance	Uganda
3.	AbibiNsroma Foundation	Ghana
4.	Youth for Green Communities	Uganda
5.	Alerte congolaise pour l'environnement et les droits de l'homme (ACEDH)	DR Congo
6.	African Initiative on Food security and Environment (AIFE)	Uganda
7.	Ensemble pour la Justice climatique et la Protection des Défenseurs de l'Environnement, (E.J.P.D.E)	DR Congo
8.	Red Wiphala /Wiphalas Network	Wiphala
9.	Lift Humanity Foundation (LHF)	Nigeria
10.	Africa Coalition for Sustainable Energy Access	Cameroon
11.	Société Civile Environnementale et Agro-Rurale du Congo	DR Congo
12.	Centre for Citizens Conserving Environment & Management (CECIC)	Uganda
13.	Congo Basin Conservation Society CBCS Network	DR Congo
14.	Association des Agriculteurs sans Frontières AASF	DR Congo
15.	Green Revolution Initiative GRI Ltd	Uganda
16.	Sustainable Development Institute (SDI)	Liberia
17.	Strategic Response on Environmental Conservation (STREC)	Uganda
18.	Women for Green Economy Movement (WoGEM)	Uganda
19.	Alliance for Empowering Rural Communities (AERC)	Ghana
20.	Center for Energy and Environment Development (CEED)	Ghana



21.	Action Chrétienne d'Initiative pour le Développement Intégral (ACIDI ASBL)	DR Congo
22.	Action pour la Protection des Droits de l'Enfant (APDE) - Tchad	DR Congo
23.	Unión de Afectados por Texaco. UDAPT.	Ecuador
24.	Center for Environment Research and Agricultural Innovations (CERAI)	Uganda
25.	Innovation pour le Développement et la Protection de l'Environnement (I.D.P.E)	DR Congo
26.	Center for Conservation and Ecoenergy Initiative (CCEI)	Uganda
27.	Friends with Environment in Development (FED)	Uganda
28.	Kigaaga Women Conservation Trust	Uganda
29.	Western Uganda Conservation Agenda	Uganda
30.	Patterns for Conservation Trust	Uganda
31.	Friends of Nature	Uganda
32.	Africa Conservation Trust	Uganda
33.	St Maria women for nature	Philippines
34.	WALHI South Sulawesi	Indonesia
35.	WALHI Central Sulawesi	Indonesia
36.	WALHI North Sulawesi	Indonesia
37.	WALHI West Sulawesi	Indonesia
38.	WALHI Southeast Sulawesi	Indonesia
39.	Coalition on climate change mitigation	Uganda
40.	Les Amis de la Terre	Togo
41.	Environmental Rights Action/Friends of the Earth	Nigeria
42.	Cameroon Gender and Environment Watch (CAMGEW)	Cameroon
43.	Women Ecovillage Change makers (WECMA)	Cameroon
44.	North West Bee Farmers Messenger (NOWEFAM)	Cameroon
45.	Action for Rural Women's Empowerment	Uganda
46.	Korea Federation for the Environmental Movement (KFEM)	Korea
47.	Uganda Community Based Association for Women and Children Welfare (UCOBAC)	Uganda
48.	Fundación Ambiente y Recursos Naturales (FARN)	Argentina
49.	Kebetkache Women Development & Resource Centre	Nigeria
50.	League of Queens International Empowerment	Nigeria



51.	Women Initiative on Climate Change	Nigeria
52.	Egi Women Human Rights & Environmental Justice	Nigeria
53.	Kalikasan People's Network for the Environment	Philippines
54.	Tierra Nativa, Amigos de la Tierra	Argentina
55.	Otros Mundos Chiapas/Amigos de la Tierra	México
56.	Sahabat Alam Malaysia (Friends of the Earth Malaysia)	Malaysia
57.	Guild Presidents Forum on Oil Governance	Uganda
58.	Green Journalist Network, (GJN)	DRC