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THE SKY'S LIMIT:

EXISTING FOSSIL FUEL PROJECTS
THREATEN POLLUTION SEVEN TIMES
THE 1.5°C CARBON BUDGET

INTRODUCTION & SUMMARY

In recent years, the imperative to phase out fossil fuels to meet global climate goals has been enshrined in international commitments and bolstered by the world's highest court. Governments agreed for the first time at COP28 in 2023 that meeting the Paris Agreement requires transitioning away from fossil fuels.¹ In 2025, the International Court of Justice (ICJ) put governments on notice by affirming 1.5 degrees Celsius (°C) as a legally binding temperature limit and suggesting failure to regulate fossil fuel production and licensing, as well as subsidies, could trigger legal consequences.²

At the same time, approval of new fossil fuel infrastructure – including by Global North countries that have a responsibility to phase it out first and fastest³ – has continued, putting the world on course to exceed 1.5°C of average warming at least temporarily within the next few years and making the necessary phaseout of fossil fuels more challenging and costly.⁴

The recent United Nations Environment Programme (UNEP) *Limiting Overshoot* report underlines that, “Avoiding every additional fraction of a degree of global warming and reducing the time in overshoot [of 1.5°C] decrease risks and damages and increase the chances of bringing temperatures back down”, while further delay in action will create “an unprecedented, damaged world.”⁵

In this briefing, we provide an updated estimate of the carbon-dioxide (CO₂) pollution committed by the world's already developed fossil fuel extraction projects, compared to remaining carbon budgets aligned with global temperature limits as of 1 January 2026 (Figure 1). This analysis builds on a previous peer-reviewed study⁶ led by Oil Change International (OCI) and a 2023 update to it.⁷

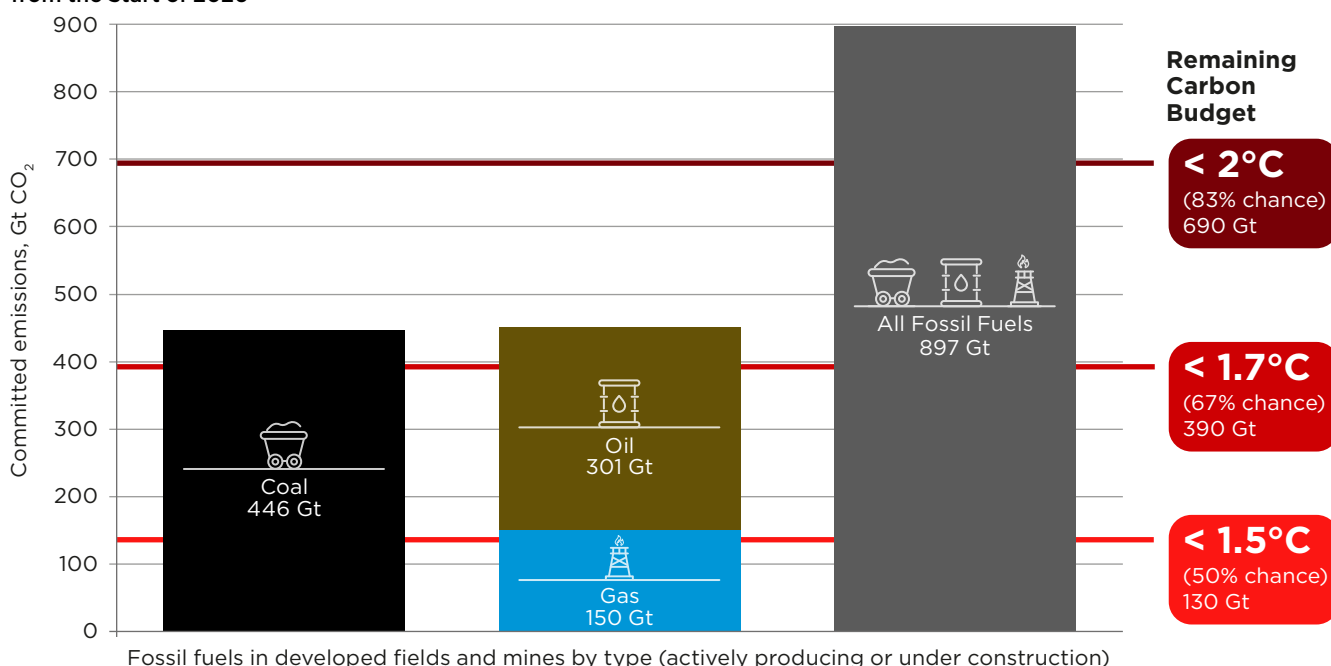
The results present a stark reality. Every new fossil fuel project commits the world to more climate or economic destruction: locking in higher amounts of warming above 1.5°C or more stranded assets. Policies to cease new fossil fuel development and manage the early phaseout of existing fields and mines, guided by science and equity, are necessary for governments to

meet moral and legal obligations to the 1.5°C limit and to hold temperatures as low as possible.

Specifically, we find that:

- **Existing fossil fuel extraction projects commit the world to emissions nearly seven times the size of the remaining 1.5°C carbon budget.** Extracting all the oil, gas, and coal in existing fields and mines would lead to cumulative CO₂ emissions of 897 billion tonnes (Gt), whereas the world can emit a maximum of 130 Gt CO₂ from 2026 onwards for a 1-in-2 chance of staying below 1.5°C of temperature rise.
- **The remaining 1.5°C budget is now so depleted that committed emissions from existing gas fields alone (150 Gt CO₂) would fully exhaust and exceed it.** This underscores that the world is far past the point of having room to exchange one fossil fuel for another. Government and industry plans to develop new gas fields for liquefied gas (LNG) exports, or any other fossil fuel projects, are a bridge to further climate breakdown.
- **Developed oil and gas reserves by themselves are 3.5 times the size of the remaining 1.5°C budget from the start of 2026.** Even in a theoretical scenario in which coal extraction stops overnight, a large majority (70%) of reserves in existing oil and gas fields alone would have to stay in the ground to stay within the 1.5°C budget.
- **Committed emissions from oil, gas, and coal extraction now exceed by 30% the remaining carbon budget for a high probability of holding warming below 2°C,** a level that governments must stay “well below” according to the Paris Agreement.
- **Planning for the early phaseout of existing fossil fuel extraction sites is critical to limit exceedance of 1.5°C and preserve the world's chances of returning to it.** Otherwise, a large excess of developed reserves is set to drive a large amount and duration of overshoot, jeopardising human and ecosystem survival on a mass scale and forcing the world to rely on an uncertain and dangerous gamble of carbon-dioxide removal to return towards 1.5°C.

Figure 1: CO₂ Emissions Committed by Developed Oil and Gas Fields and Coal Mines, Compared to Remaining Carbon Budgets from the Start of 2026



Source: Oil Change International analysis of Rystad Energy data (2026) (oil and gas)^a; Trout and Muttitt et al. (2022) (coal); Forster et al. (2026) (carbon budgets).

a Estimates of developed oil and gas reserves are based on analysis of data from the January 2026 Rystad Energy UCube. We apply emissions factors of 0.421 tonnes CO₂ (tCO₂) per barrel of crude oil and condensate; 0.235 tCO₂ per barrel of natural gas liquids; and 54.74 tCO₂ per million cubic feet of gas, which are based on IPCC (2006) conversion factors. We apply net carbon storage factors calculated by Heede (2014) (8.02% for liquids; 1.86% for gas) to account for non-energy uses.

As governments consider how to turn commitments to transition away from fossil fuels into national roadmaps, our analysis underscores that these plans must tackle fossil fuel production head on to credibly align with internationally agreed and legally binding climate limits.

1.5°C-aligned roadmaps must include policies to stop digging the hole deeper – by ending licensing or permitting of new fossil fuel exploration or extraction and the finance that enables it. They must also include stepping stones out of this hole by planning for an equitable and early phaseout of existing fields and mines – with wealthy countries moving first and fastest to decommission operating projects – alongside just transition plans to uphold the rights and livelihoods of affected workers and communities. Achieving the scale and speed of phaseout required will hinge on international cooperation: wealthy countries must furnish their fair share of finance and transform debt, tax, and trade rules that restrict many Global South countries' ability to pursue alternative development pathways.

The technical analysis that follows compares our updated results on developed fossil fuel reserves to the results in our 2022 peer-reviewed *Environmental Research Letters* (ERL) study and 2023 update (See Box 1 and Table 1). Both of these studies built on OCI's 2016 *Sky's Limit* report, which first demonstrated why meeting the Paris Agreement goals required ending new fossil fuel extraction projects.⁹

BOX 1 – BUILDING THE EVIDENCE BASE: NEW FOSSIL FUEL EXTRACTION IS INCOMPATIBLE WITH CLIMATE LIMITS

In 2022, OCI partnered with a team of academic researchers to publish the first peer-reviewed, bottom-up assessment of the “committed” CO₂ emissions from the world's existing oil and gas fields and coal mines – extraction projects that are already operating or under construction.¹⁰ That same year, the Intergovernmental Panel on Climate Change (IPCC)'s assessment report highlighted that projected lifetime CO₂ emissions from existing fossil fuel-consuming infrastructure like power plants would exceed the remaining 1.5°C carbon budget.¹¹ Our 2022 study looked at fossil fuel-extracting infrastructure, finding an even higher level of carbon pollution (936 Gt CO₂) committed by the supply side of the system.

This analysis built on the International Energy Agency's (IEA) landmark 2021 conclusion, backed up by other models,¹² that there is no *need* to develop new extraction projects in 1.5°C-aligned energy pathways.¹³ Our findings took this conclusion one step further. Ceasing to approve new extraction is critical, but not enough to keep 1.5°C in reach. A significant portion of those fields and mines that are already built must be shut down before their reserves are fully extracted.

The 2022 peer-reviewed study assessed developed fossil fuel reserves and remaining carbon budgets aligned with temperature limits from a 2018 baseline. In 2023, OCI updated this data for oil and gas reserves and carbon budgets from a 2023 baseline, finding that the majority – 60% – of total developed fossil fuel reserves (915 Gt CO₂) would need to remain unextracted to stay within the remaining 1.5°C carbon budget.¹⁴ This briefing updates data for oil and gas reserves and carbon budgets from a 1 January 2026 baseline.

ON THE BRINK OF BREACHING THE 1.5°C BUDGET

The ICJ's 2025 Advisory Opinion on climate change affirmed that limiting global temperature rise to 1.5°C above pre-industrial levels is the primary warming limit under the Paris Agreement, and that all states are legally obligated to cooperate towards this limit to prevent escalating harms.¹⁵ Crossing 1.5°C will trigger severe harms to people and ecosystems and significantly compound the risk of passing irreversible tipping points.¹⁶ The Paris Agreement also includes a secondary ceiling of holding warming “well below 2°C,” which reinforces an obligation to minimise the degree and duration of any exceedance of 1.5°C.¹⁷

Scientists can estimate the maximum amount of CO₂ pollution that can be emitted for a given likelihood of keeping global warming below a specific temperature level. These estimates are based on the approximately linear relationship between cumulative CO₂ emissions and global average temperatures, while also factoring in the interactive effects of shorter-lived greenhouse gas pollutants, such as methane, in contributing to peak warming. If methane emissions continue to grow or fall slower than the rate assumed, then remaining carbon budgets will be even smaller.¹⁸

As of the start of 2026, scientists estimate that the remaining global carbon budget for a 1-in-2 chance of keeping warming below 1.5°C is only 130 Gt CO₂.¹⁹ **That is equivalent to just three years of emissions at current rates.**

Governments' failure to rein in fossil fuel pollution, causing rapid exhaustion of the remaining carbon budget, is the biggest contribution to the growing excess of developed reserves seen in this analysis. Since our 2023 update, annual carbon pollution, 90% of which comes from fossil fuels, has hit new record highs, continuing to exceed 40 Gt per year.²⁰ While the remaining global carbon budget to stay within 1.5°C or even 2°C of temperature rise has shrunk significantly,^b continued investment in new fossil fuel extraction has kept committed emissions stubbornly high (Table 1), resulting in a growing proportion of developed fossil fuels that must remain unextracted to limit climate breakdown.

Global temperatures will continue to rise until carbon pollution reaches zero, or residual emissions are compensated by equivalent carbon removal. The inherent risks, uncertainties, and feasibility and sustainability limits associated with all forms of carbon-dioxide removal (CDR)²¹ led the IPCC to warn in 2018 that reliance on it would be a “major risk” to the ability to limit warming to 1.5°C.²² There is no substitute for immediate, rapid reductions in fossil fuel production and use.

EXISTING GAS FIELDS ALONE EXCEED THE 1.5°C BUDGET – NO ROOM TO REPLACE ONE FOSSIL FUEL WITH ANOTHER

Our analysis assesses the cumulative emissions that could result from extracting just the fossil fuel reserves within actively producing or under construction oil and gas fields, shale wells,^c and coal mines. This category of “developed reserves” is particularly important for climate and energy transition planning because it represents the subset of reserves “that companies have already discovered and for which a financial and regulatory commitment to extraction has been made.”²³

Shutting down existing fields and mines early requires government planning and action to overcome carbon lock-in²⁴ –

b From the start of 2018, our 2022 study baseline, the IPCC estimated that the world needed to limit future CO₂ pollution to 580 Gt to preserve a 50% chance of holding warming below 1.5°C. Our 2023 update subtracted 2018-2022 CO₂ emissions from this total to arrive at a remaining budget of 380 Gt CO₂. The remaining budget estimate used in this analysis from the start of 2026 is based on Forster et al.'s “*Indicators of Global Climate Change 2025*” update, which accounts for additional CO₂ emissions from 2023-2025 and incorporates the best available science since the IPCC's assessment.

c Unconventional shale oil and gas production has two main “commitment” points: to develop an area (installing infrastructure) and to proceed with wells within it. We conservatively count only those shale reserves accessed by already-drilled wells.

Table 1: Comparison of Developed Oil and Gas Reserves and Committed CO₂ Emissions Estimates Over Time

	Developed reserves		Committed emissions from reserves extraction, Gt CO ₂				Study
	Oil, Billion barrels	Gas, Trillion cubic feet	Developed oil	Developed gas	Developed oil and gas	All Developed Fossil Fuels	
From 1 January 2018	870	3027	323	165	488	936	Trout and Muttitt et al. (2022)
From 1 January 2023	852	2858	315	154	469	915	Trout (2023)
From 1 January 2026	825	2784	301	150	451	897	This analysis (2026)

the economic, political, and legal inertia created by sunk capital, existing jobs and revenues, and prior permitting decisions.²⁵ Every new fossil fuel project that governments and companies approve deepens entanglement in the fossil fuel economy and increases the transition challenge.

Here we provide updated estimates of the CO₂ emissions committed by oil and gas extraction projects operating or under construction as of 1 January 2026. We use updated data for oil and gas from the same source as in the 2022 study, Rystad Energy's UCube database, and a simplified but comparable methodology. Because there is no comparable, regularly updated data source on developed coal mines, we rely on our prior estimate for committed coal emissions (see Box 2).

As of the start of 2026, existing oil and gas fields contain an estimated 825 billion barrels of oil and 2,784 trillion cubic feet of gas, which would cause a combined 451 Gt of CO₂ pollution if fully extracted. While this total is slightly lower than previous estimates (Table 1), its exceedance of the 1.5°C climate budget is significantly higher:

- The remaining 1.5°C budget is now so depleted that committed emissions from existing gas fields alone (150 Gt) would fully exhaust and exceed it.
- Committed emissions from oil and gas extraction combined are 3.5 times the size of the remaining 1.5°C budget.
- Even in a theoretical scenario where coal extraction stops immediately, a large majority (70%) of reserves in existing oil and gas fields would have to stay in the ground to stay within the 1.5°C budget.

Committed emissions from developed oil and gas reserves have not meaningfully dropped since 2018. Their committed emissions fell by just 8% while the remaining 1.5°C carbon budget shrunk by 78%.^d Committed emissions have remained relatively steady because oil and gas companies' investments in new fields have nearly replaced the amount of oil and gas they extracted from developed ones in recent years. Climate limits require that extracted reserves not be replaced, but that their production winds down while renewable energy, efficiency, and end-use electrification solutions scale up at a commensurate pace.

Our finding that developed gas reserves alone exceed the 1.5°C budget underscores that the world is far past the point of having room to exchange one fossil fuel for another. All must be phased out rapidly, in a process that should be guided by both climate science and principles of equity. In fact, growth in production and burning of fossil gas has been the fastest growing source of carbon emissions over the past decade.²⁶ This has contributed to the continued rise in methane emissions,

which also must be curtailed rapidly to limit peak warming.²⁷ While gas has long been characterised by fossil fuel industry actors as a means to displace coal, given lower emissions at the point of combustion, carbon budget limits require that both coal and gas be replaced rapidly in energy systems. Furthermore, gas can be as emissions intensive as coal on a lifecycle basis when accounting for methane leakage along the supply chain.²⁸ This is particularly true for LNG,²⁹ a major current focus of oil and gas industry expansion.

EARLY SHUT DOWN OF EXTRACTION SITES IS KEY TO LIMITING OVERSHOOT, KEEPING 1.5°C IN REACH

When adding our updated oil and gas estimate (451 Gt CO₂) to our previous coal estimate (446 Gt CO₂) (see Box 2), we find:

- Developed fossil fuel reserves combined would cause emissions of 897 Gt CO₂, if fully extracted.
- This is nearly seven times the size of the remaining 1.5°C budget.
- The proportion of total fossil fuel reserves – including oil, gas, and coal – that would have to remain unextracted to stay within the 1.5°C budget now exceeds 85%, up from 60% as of 2023.

Delayed action and continued investment in new fossil fuel infrastructure in the decade since the Paris Agreement, most egregiously by wealthy countries with the legal and moral responsibility to shoulder the greatest effort,³⁰ has locked in high pollution and sentenced the world to some degree of overshoot. No amount of further warming is “safe.” Any level or duration of 1.5°C overshoot will cause irreversible harm, worsening extreme heat, flooding, food and water insecurity, disease, and other impacts, while risking the submersion of Small Island Developing States and collapse of entire ecosystems.³¹ Every fraction of a degree of warming avoided can reduce the severity and scale of human suffering and decrease the likelihood of passing irreversible tipping points.

This only heightens the urgency of action on fossil fuels. Our analysis finds that existing fossil fuel extraction projects – unless a portion are shut down early – could push warming as high as 2°C, a threshold governments must stay “well below” according to the Paris Agreement:

- Committed emissions from developed fossil fuels now exceed by 30% the remaining carbon budget for a high probability (83%) of holding warming below 2°C.^e
- Nearly one-quarter (23%) of developed reserves must remain unextracted to avoid risking 2°C of warming.

^d Committed CO₂ from developed oil and gas dropped from 488 Gt CO₂ to 451 Gt CO₂ from 2018 to 2026 (Table 1), while best estimates of the remaining 1.5°C budget (50% chance) fell from 580 to 130 Gt CO₂ remaining over the same period. See footnote b.

^e Holding warming “well below 2°C” has been widely interpreted in relation to pathways or budgets that give high certainty (eg, more than 66% probability) of avoiding 2°C of temperature rise. The remaining budget for a 83% probability of avoiding 2°C of warming is 690 Gt CO₂, which is commensurate with the budget for a 50% chance of avoiding 1.8°C of warming (680 Gt CO₂), per estimates by Forster et al. (2026). As affirmed by the ICJ, 1.5°C is the primary limit governments are legally bound to uphold under the Paris Agreement.

Planning for the early shut down of a significant portion of existing fields and mines is thus required to minimise the degree and duration of any overshoot of 1.5°C, and preserve the world's chances of returning temperatures to less dangerous levels.

The world's ability to return temperatures to 1.5°C from a period of overshoot is deeply uncertain and cannot reverse damage done to people and ecosystems in the meantime.³² Lowering temperatures from a peak level of warming depends on going beyond zero carbon pollution and achieving "net negative" emissions through carbon removal. CDR includes conventional land-based forms like reforestation and engineered, unproven forms that depend on combining bioenergy or direct air removal with carbon capture and storage (CCS).^f All forms face severe feasibility constraints and their potential scale-up poses major risks to biodiversity, food security, and human rights and safety.³³ Engineered CDR, such as bioenergy or direct air capture with CCS (BECCS or DACCS), does not yet exist on a material scale^{34,g} and ecosystem-based CDR is impermanent and further constrained by the impacts of global warming on forests.³⁵

Just as every fraction of a degree of warming above 1.5°C is dangerous, so is every tonne of reliance on CDR to stabilise or lower temperatures. The fossil fuel industry has locked in this risk as a self-engineered scenario. For decades, the industry used promises of future carbon capture and removal to justify fossil fuel expansion,³⁶ delivering very little operational CCS while creating the large excess of developed fossil fuels that makes breaching 1.5°C of temperature rise unavoidable.

Phasing out fossil fuels rapidly is the only way to minimise the risks and hazards of CDR reliance. Holding peak warming as low as possible to 1.5°C hinges on achieving deep and sustained reductions in carbon pollution within the next five to ten years.³⁷ Neither CCS nor engineered CDR can make a meaningful contribution to this effort given their deployment status. After five decades of investment, CCS captured just 0.1% of annual fossil fuel CO₂ emissions in 2024.³⁸ The world's existing pipeline of CCS projects, including for BECCS and DACCS, amounts to just 0.43 Gt CO₂ of annual capture capacity by 2035, or only 1% of current fossil fuel CO₂ emissions, if it fully materialises.^{39,h} In recent 1.5°C pathways that recognise some limits to CDR feasibility, fossil fuel production and use decline rapidly as an essential prerequisite to hold open the possibility of returning from dangerous periods of overshoot, falling at rates that eliminate any need for new fields and mines and imply early closure of existing fossil fuel infrastructure.⁴⁰ This is true of the IEA's 2025 Net Zero Emissions Scenario, which still relies on unproven forms of CDR to remove close to 200 Gt CO₂ cumulatively by 2100 to help return from 1.65°C of warming.⁴¹ This remains a highly optimistic and resource-intensive scale of novel CDR: achieving the rate of removal assumed by 2100 would require land area greater than the size of Peru and more energy per year than all buildings in the European Union consume today.⁴²

BOX 2 – PUTTING DEVELOPED COAL MINE DATA IN CONTEXT

This analysis relies on our original peer-reviewed estimate of committed CO₂ from existing coal mines. Unlike for oil and gas, there is no single, regularly updated source for global data on developed coal mines. Our 2022 study entailed a months-long process and a team of researchers to develop mine-level datasets from a 2018 baseline covering some of the world's largest coal-producing countries; this process was not possible to replicate for this update.⁴³

Unfortunately, recent trends suggest that it is unlikely there has been a large drop in developed coal reserves since 2018. In our 2018 dataset, almost 90% of an estimated 446 Gt CO₂ of committed emissions from coal production were concentrated in six countries – China, Russia, the United States, India, Indonesia, and Australia – with China accounting for just over half.⁴⁴ Global Energy Monitor's Global Coal Mine Tracker shows that, between 2018 and 2025, China opened 66 new coal mines per year on average, compared to closing just 11 per year. Rates of new mine openings also exceeded closures in Russia, India, and Indonesia.⁴⁵ The United States led the world in coal mine closures over the same period, indicating a decline in U.S. committed CO₂ from coal extraction. However, the United States accounted for just 7% of the global total of committed coal emissions as of 2018.⁴⁶ Notably, the United States led the world in expanding oil and gas production over the same period.⁴⁷

Coal mining is far less capital-intensive than oil and gas production. This makes the financial lock-in of existing mines (the incentive to continue production to recoup sunk costs, as long as the market price exceeds marginal production costs) weaker than for oil and gas fields. However, its job intensity and centrality in large developing economies creates other economic and political lock-in effects and raises equity concerns.^{48,i}

Recent forecasts see potential for near-term, sustained peaks in coal power generation in China, a country with the world's most developed renewable-based industrial strategy, and India.⁴⁹ This could help drive the shut-in of a significant portion of existing coal reserves over the medium to long term. However, as our oil and gas findings show, even if coal production stops overnight and all developed coal reserves remain unextracted, existing oil and gas projects alone break the 1.5°C budget.

f Almost all operational CCS, which remains limited, is used to capture a portion of CO₂ emissions from fossil fuel combustion or processing. This may slow the rate of fossil fuel pollution but does not contribute towards negative emissions, which requires storing carbon removed directly from the atmosphere.

g Oxford's State of CDR Report for 2026 shows that novel CDR technologies, including DACCS and BECCS, have a removal capacity of just 1.07 Mt CO₂ per year, making up just 0.05% of all CDR (with 99.95% coming from conventional approaches of afforestation/reforestation and durable wood products).

h This is the maximum amount that could be captured if all projects worked at full capacity. The actual utilisation of CCS capacity is nearer 50%, per DNV (2025).

i Modelled mitigation pathways typically assume a coal phaseout is "cheaper" and thus more rapid than that of oil and gas in ways that neglect feasibility and equity considerations, shifting mitigation burdens onto coal-dependent economies of the Global South and off of wealthier countries that produce and use a larger share of oil and gas, per Muttitt et al. (2023).

NO NEW FOSSIL FUELS AND EQUITABLE PHASEOUT PLANS: KEYS TO CREDIBLE ROADMAPS

When you are in a hole, the first step is to stop digging. The next is to build stepping stones out of it. The UN's 2023 Emissions Gap Report warned that the 1.5°C limit "leaves no room for new fossil fuel infrastructure, unless an even greater quantity of existing stock is stranded."⁵⁰ Each new project governments and fossil fuel companies have approved since then dug the world into a deeper emissions hole compared to a rapidly vanishing carbon budget, representing a commitment to higher degrees of warming beyond 1.5°C or a larger amount of stranded assets. They also increased the global bill to clean up polluted sites and fund a just transition for affected workers and communities.

While the hole has gotten deeper, there are growing levers for action, even within an increasingly volatile and fractured global political landscape. Fossil fuels have moved from the shadows to the center of international climate negotiations, legal norms have created new avenues to hold governments and corporations accountable for continued expansion, and communities around the world continue to resist and stop new fossil fuel projects. The world's second fossil fuel-driven energy crisis in under five years has exposed the ongoing economic and security costs of continued fossil fuel dependence – driving a massive wealth transfer from ordinary households to fossil fuel companies,⁵¹ draining government budgets,⁵² and underlining that the transition to renewable energy is not only a climate imperative but an opportunity⁵³ to build more resilient, sovereign, and equitable economies that deliver more affordable energy, cleaner air, and shared prosperity.

Heading into COP31 and beyond, governments are considering how to turn their commitments to transition away from fossil fuels into national roadmaps,⁵⁴ building on processes instigated by the Brazilian leadership of COP30,⁵⁵ the first International Conference on Transitioning Away from Fossil Fuels,⁵⁶ and the Fossil Fuel Treaty Initiative.⁵⁷ Our analysis underscores that these roadmaps must tackle fossil fuel production head on to credibly align with internationally agreed and legally binding climate

limits. Transition roadmaps must include the following proactive policies to phase out production alongside industrial policy and planning to grow non-fossil fuel sectors:

- **End fossil fuel expansion:** Commit to cease licensing or permitting of new fossil fuel exploration or extraction and the finance that enables it.
- **Plan for a fair and early phaseout of existing fields and mines, with wealthy countries in the lead:** Set clear and credible phaseout dates for fossil fuel production and use that reflect principles of equity enshrined in international law.⁵⁸ Global North countries with the greatest responsibility for the climate crisis and the highest economic capacity to manage rapid domestic transitions must move first and fastest in decommissioning existing fossil fuel extraction sites in order to keep 1.5°C in reach.
- **Publicly plan and fund just transitions for affected workers and communities:** State planning capacity is key to deliver industrial policies to diversify a country's economy away from its reliance on fossil fuels for revenues and employment. A just and orderly transition will need to include social protection and just transition policies to uphold the rights and livelihoods of affected workers and communities through the transition, and build public support for phaseout policies.
- **Tackle structural barriers through international cooperation and finance:** Lower-income, fossil fuel-producing countries face phaseout timelines that are neither fair nor feasible without adequate international support.⁵⁹ Achieving the scale and speed of phaseout required depends on wealthy countries furnishing their fair share of climate finance and cooperating to transform debt, tax, and trade rules that entrench fossil fuel dependence and restrict many Global South countries' fiscal and policy space to pursue alternative development pathways. OCI analysis finds wealthy countries can raise USD 6.6 trillion annually in public funding through policy to make polluters pay, increase taxes on the super rich, and change other unfair financial rules.⁶⁰

ENDNOTES

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Oil Change International is a research, communications, and advocacy organization focused on exposing the true costs of fossil fuels and facilitating the ongoing transition towards clean energy.

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