

Canada-EU Summit 2026

The Canada-EU Alliance for the Future must be a Climate Alliance

Joint statement by Climate Action Network Canada and Climate Action Network Europe

27 October 2026



We welcome the ambition and aspiration fueling the strong partnership between Canada and the European Union (EU), now coming together in Montreal (29-30 October) to establish an Alliance for the Future. With multilateralism at a crossroad, trade weaponized to bully nations, and the climate crisis continuously accelerating, this partnership has the potential to champion the Paris Agreement, democracy, and to renew and strengthen the multilateral system.

While the [Canada-EU Leaders' Summit 2026 Draft Joint Statement](#) acknowledges “the existential threat of the interdependent crises of climate change, biodiversity loss, land degradation and pollution,” the proposals presented neither meets the urgency of the threat, nor cuts the umbilical cord of past dependencies on fossil fuels. As we witness together the devastating impacts of this summer’s deadly wildfires, simply acknowledging the emergency while continuing to trade oil and gas will not deliver energy security nor strengthen our shared resilience.

An Alliance for the Future must build an architecture of cooperation and partnership that bravely takes our planet, economies and societies into a prosperous next chapter. The solutions are at our fingertips. The alliance should accelerate the adoption of renewable energy technologies that help us eliminate our continued dependence on volatile fossil fuels. It must lead with ambitious climate action that strengthens our resilience, cuts harmful emissions, advances a global just transition, and positions Canada and the EU as trusted partners for countries around the world.

A strong Canada-EU partnership should:

- **Reinforce the economic, energy security, and climate agenda:** A genuinely forward-looking partnership between Canada and the EU must offer a model of cooperation that accelerates the energy transition, future-proofs our economies, builds climate resilience, and enhances overall energy security and sovereignty.
- **Approach trade diversification as a vessel for decarbonization:** Trade and energy cooperation must help stabilize economies by reducing fossil-fuel dependence and incentivising a clean transatlantic trade zone.
- **Build on renewables-based electrification, grids and efficiency:** A transatlantic market of the future facilitates ambitious goals for renewables-based electricity technologies that cut emissions and bills, such as energy storage, industrial electrification, heat pumps, and electric vehicles.



- **Demonstrate what values-based cooperation can deliver:** A strong Canada-EU partnership can help preserve the value-based ethos of international cooperation, climate multilateralism and continued support for climate finance.
- **Reform the international financial architecture for climate action:** Canada and the EU should work with countries in the Global South to advance just and equitable reform of the international financial architecture, strengthen the ambition, quality and delivery of climate finance, advance implementation of the New Collective Quantified Goal (NCQG), and build momentum in meeting collective climate commitments under the Paris Agreement.

The fine print of a climate alliance:

1. **A stronger Canada-EU partnership must reinforce the economic, energy security, and climate agendas:** A genuinely forward-looking partnership between Canada and the EU must offer a model of cooperation that accelerates the energy transition, future-proofs our economies, builds climate resilience, and enhances overall energy security and sovereignty. Both Canada and Europe face extreme climate impacts and the costs of continued fossil fuel dependence. The partnership should emphasize that climate action is an imperative for the economy of the future, and the renewable solutions needed to address these challenges are at our fingertips: renewables, electrification, grids, energy efficiency, transition minerals with strong guardrails, environmental and Indigenous rights protections, climate finance, and a just transition for workers and communities.

The Canada-EU partnership can offer a model of cooperation that contributes to both economic prosperity and climate resilience. Along with cooperation on wildfires and heatwaves, the climate resilience agenda offers potential for cooperation between Canada and the EU, on measures that create synergies between adaptation and mitigation (e.g. agroecology; forests/sinks, renewables for cooling, water access, etc.), as well as just resilience measures for workers and communities as climate impacts intensify and the energy transition progresses. As a major fossil fuel producer and importer respectively, dialogue on their respective transitions and challenges will be an important element of cooperation, which can build on EU experiences and just transition policies in certain regions.

2. **Trade diversification must be a vessel for decarbonization:** Trade and energy cooperation must help stabilize our economies by reducing fossil-fuel dependence and contributing to energy sovereignty, energy security, and a clean future on both sides of the Atlantic. Trade between the EU and Canada should be a vessel for decarbonization and renewables-based clean energy, incentivising a clean transatlantic trade zone.

Canada should not be granted free passes or exemptions on EU policies like the Carbon Border Adjustment Mechanism (CBAM), while partners from developing countries are not approached with similar privileges. Instead, Canada should strengthen its domestic carbon price and strive for equivalency. Both partners should also remove Investor-State Dispute Settlement (ISDS) provisions from trade and investment agreements that expose governments to extremely costly claims for taking legitimate climate action, ensuring trade rules enable rather than obstruct a just transition and the Paris goals.

[The Council of the EU's position for COP31](#) explicitly links the transition away from fossil fuels with energy security and affordability. The Canada-EU Alliance for the Future must translate this



commitment into practice: the EU should not simply become the next “US” for Canada as a market for its LNG, but a partner in building a resilient, affordable and just energy economy.

Both sides have committed to the first Global Stocktake’s call to transition away from fossil fuels in energy systems in a just, orderly, and equitable manner. Member States, including France, Netherlands and Germany have also started producing national roadmaps to phase out fossil fuels, while the EU 2026 climate and energy diplomacy priorities acknowledge the risks of imported fossil fuels and the necessity of renewables-based energy. Yet these signals are only as credible as their implementation, and both Canada and the EU have work to do to align their policies with a just transition away from fossil fuels. Long-term LNG contracts risk creating stranded assets and locking consumers into costly fossil fuel infrastructure and undermining climate goals.¹ [LNG is not low carbon](#): methane leakage, liquefaction and shipping all add to its emissions. The [proposed feasibility study](#) for long-term LNG off-take will confirm what we already know: that LNG is a dead-end, at a time when [European gas demand is projected to decline](#), leaving both Canada and the EU with infrastructure that will become stranded assets and delay the transition we need. Rather than deepening fossil fuel dependence, Canada and the EU should invest in renewables, renewables-based electrification and energy infrastructure that underpins future prosperity.

With Canada [off-track to meet its 2050 net zero goal](#), instead of expanding fossil fuel projects, it should invest public money in advancing the [“Yes Agenda”](#) projects that build the renewables-based energy of the future, future-proofing our economies and protecting households from oil and gas price shocks.

- 3. A Canada-EU energy partnership should build on renewables-based² electrification, grids and efficiency:** the [Canada-EU Leaders’ Summit 2026 Draft Joint Statement](#) is silent on a big opportunity, where Canada’s aspirations of becoming an “energy superpower” meet Europe’s aspirations of becoming [the first “electro-continent”](#). A transatlantic market facilitating ambitious goals for renewables-based electricity technologies that cut emissions and bills, such as energy storage, industrial electrification, heat pumps, and electric vehicles, is the market of the future. Electrification should be powered by sustainable renewable energy and [accompanied by guardrails](#) on power sources, sufficiency, efficiency, FPIC (free, prior informed consent) for Indigenous and frontline communities, affordability, and the facing heads-on the climate impact and energy consumption of AI data centers.
- 4. Demonstrate what values-based cooperation can deliver:** A strong Canada-EU partnership can help preserve the value-based ethos of international cooperation, climate multilateralism and continued support for climate finance. We welcome the launch of [‘Partners for Multilateralism’](#) bringing together Canada, the EU, Australia, Barbados, Brazil, India and Kenya in a joint effort to renew and strengthen the multilateral system.

Canada’s renewed focus on middle power cooperation is an important step, but rhetoric must translate into action, and beyond the EU and Global North countries. Both partners should work together to make multilateral reform a foreign policy priority and work with Global South countries in particular, to

¹ With EU gas demand projected to fall to around 190 bcm by 2030 and projections suggesting that domestic production could meet the majority of remaining EU gas demand by 2040.

² We define renewable energy infrastructure as solar, wind, geothermal and small-scale hydro generation, battery energy storage systems and electricity transmission.



advance a credible pathway for just transition - one in which trade, technology, finance, and international economic cooperation enable climate action and sustainable development.

- 5. Reform the international financial architecture for climate action:** Canada post-2025 climate finance pledge creates an opportunity to work with the EU to strengthen the ambition, quality and delivery of climate finance, advance implementation of the New Collective Quantified Goal (NCQG), and build momentum among European countries towards meeting collective climate commitments under the Paris Agreement.

But climate finance alone is not enough. Canada and the EU should work with countries in the Global South to advance just and equitable reform of the World Bank and International Monetary Fund, and other multilateral development banks, unlocking more accessible financing for climate and sustainable development. As major shareholders, Canada and the EU Member States' have significant influence to drive these reforms. Both partners should also support international tax cooperation, including through the UN Tax Convention, while [redirecting financial flows away from fossil fuel expansion](#).