

Commission Communication, *Stepping up international finance: a European blueprint for the Copenhagen deal*

Introduction

The European Commission published its Communication *Stepping up international finance: A European blueprint for the Copenhagen deal* on September 10, 2009.¹

The Communication aims to “undo the current impasse in the negotiations by presenting a blueprint on climate finance.” It presents proposals for financing climate action in developing countries in the event of a Copenhagen climate deal. The figures presented in the Communication are only indicative and do not represent formal EU proposals for commitments.

HEAL and HCWE welcome the Communication as a good initiative by the Commission in trying to encourage discussion on global climate financing in the EU. However, much emphasis is placed mainly on climate funding by developing countries and the proposed contributions from developed countries. The EU is rather inadequately equipped to meet the urgency of the climate change challenge and protect public health by the lack of funding mechanism preparing this sector.

It is a disappointment that none of the funding is explicitly directing at helping the health sector mitigate and adapt to climate change. This is despite findings that “global warming is potentially the biggest health threat in the 21st century”² with consequences such as increasing respiratory diseases due to increasing emissions and warming; shift in diseases and weather patterns, with consequences for food security, nutrition, increasing hospital emergencies from heat waves, droughts and floods, and increasing infections such as malaria and dengue fever; and a possible increase in conflicts over scarce natural resources such as water and productive land.

This briefing document gives a short overview of the Communication under key sub-headings and offers recommendations to EU leaders that would integrate health concerns into the global climate change and financial discussions and final outcomes.

¹ COM (2009) 475/3. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. *Stepping up international finance: A European Blueprint for the Copenhagen deal*. {SEC (2009) 1172}

² May 2009. Lancet Commission Report

Funding for global climate action

The Communication proposes international public funding of €22-50 billion per year to be made available in 2020. The EU's share will make up 10-30% of this or €2-15 billion per year in 2020 depending on the overall size of the global financial agreement and the distribution criteria. The criteria are ability to pay (GDP) and responsibility for emissions. An estimate of the international public finance allocations of the €22-50 billion in 2020 is given as follows in the Communication:

- **Mitigation:** the Communication proposes €10 - 20 billion for mitigation, i.e. emissions reductions in the key sectors: industry, energy, agriculture and deforestation.
- **Adaptation:** €10 – 24 billion is proposed
- **Capacity building:** €1-3 billion is foreseen for boosting capacity building
- **Research and development:** €1-3 billion for technology, research development and demonstration.

There is no mention at all of finance for the health sector's adaptation and/or mitigation action.

The Communication estimates that “financial requirements for adaptation and mitigation actions in developing countries could reach €100 billion per year by 2020”. In addition, the Communication greatly shifts the burden to developing countries. It calls on developing countries to deliver a lot of the finance themselves from domestic private and public funding, with some funding coming from the unpredictable global carbon market and very little coming from international public funding: “domestic private and public financing could deliver between 20-40%, the carbon market up to around 40%, and international public finance could contribute to cover the remainder”.

The EU alone ought to contribute at least €35 billion per year to fund global adaptation and mitigation by 2020; and this should be in addition to overseas development assistance and other existing finance mechanisms to developing countries.

Emission reduction

The Communication does acknowledge the current scientific evidence showing need for strict emission reduction targets of between 25-40% by 2020 and up to 80% by 2050. It also acknowledges EU's climate change objective of limiting global temperature rise to below 2° C. But the Communication does not give a specific emissions reduction target. We call on the EU to show leadership in protecting the health of our communities from climate change and agree on a strict emission reduction target of 40% domestic carbon dioxide emissions reductions compared to 1990 levels, by 2020. 40% are necessary, possible and economically beneficial for Europe.³

³ In the past we have called for an EU domestic emission reduction target of **at least** 30% compared to 1990 levels by 2020, but we had to adjust the target to take into account recent scientific findings.

Low carbon growth plans by 2011

The Communication proposes that all countries except LDCs should prepare low-carbon growth plans by 2011, adding that the EU should present its own low-carbon plan for the period until 2050 by 2011. This is a welcome initiative. We stress that such low-carbon growth plans should promote a shift towards environmentally sustainable renewable energy from sources such as solar and wind; and should foster increasing energy savings and energy efficiency of buildings and promote 'zero energy' buildings, including in healthcare buildings. The plans should be accompanied by incentives that would make their implementation a reality. They should be in line with the EU's climate and energy objectives.

Fast-start financing

The Communication proposes 'fast-start funding' to be used during the period 2010 – 2012 in the event of a successful agreement in Copenhagen (i.e. before the beginning of the Copenhagen commitment period, before 2012/2013). The sum of €5 – 7 billion per year is proposed for adaptation, mitigation, research and capacity building in developing countries. The Communication suggests to the EU to consider an immediate contribution of €0.5 – 2.1 billion per year starting from 2010. We welcome this initiative and call on the EU and Member States to start this contribution immediately from 2010.

High Level Forum on International Climate Finance

The Communication proposes a Forum to "monitor and regularly review gaps and imbalances in financing mitigation and adaptation actions." As a governance structure, the Forum seems only focused on identifying gaps and not on the actual implementation of such actions nor of how the funds are used to achieve the stated objectives of mitigation and adaptation actions, or whether the funds are used for actions that can actually be considered as meeting mitigation and adaptation objectives. We would like to see that any funds are 'health proofed' so that any mitigation and adaptation actions supported by such funds contribute to protecting public health and not to further actions that would be detrimental to health or to the ecosystems we depend on.

HEAL and HCWHE Recommendations:

Health considerations should be central to any climate mitigation and adaptation plans or actions and any funding for such plans should ensure that actions carried out will have a public health benefit.

HEAL and HCWHE ask European leaders to take into account the following recommendations in their discussions on Europe's financial contribution towards the next global climate commitment expected in Copenhagen this December:

Protect public health: Take into account the significant human health dimensions of the climate crisis along with the health benefits of climate change mitigation policies. In conjunction with this, a portion of climate mitigation and adaptation funds should be targeted for the health sector. This is needed to ensure evidence of the health impacts of climate change is continuously updated and brought to policy makers, so that the health sector can adapt to the health impacts of climate change while reducing its own climate

footprint. To assure a strong voice in the debate, the health sector should also be adequately represented on all national delegations to Copenhagen.

It is a disappointment that none of the funding is explicitly directed at helping the health sector mitigate and adapt to climate change. This is despite findings that “global warming is potentially the biggest health threat in the 21st century ” with consequences such as increasing respiratory diseases due to increasing emissions and warming; shift in diseases and weather patterns, with consequences for food security, nutrition, increasing hospital emergencies from heat waves, droughts and floods, and increasing infections such as malaria and dengue fever; and a possible increase in conflicts over scarce natural resources such as water and productive land.

Shift to clean energy: A viable accord must promote solutions to the climate crisis that move away from coal, oil, gas, nuclear power, waste incineration and fossil-fuel-intensive agriculture. The Copenhagen treaty should foster energy efficiency as well as clean, renewable energy that improve public health by reducing both local and global pollution.

We stress that such low-carbon growth plans should promote a shift towards environmentally sustainable renewable energy from sources such as solar and wind; and should foster increasing energy savings and energy efficiency of buildings and promote ‘zero energy’ buildings, including in healthcare buildings. The plans should be accompanied by incentives that would make their implementation a reality. They should be in line with the EU’s climate and energy objectives.

Reduce emissions: In order to protect human and environmental health, the world’s governments must take urgent action to drastically reduce world-wide emissions by 2050. Over the next decade, developed countries must significantly reduce their greenhouse gas emissions below 1990 levels. Developing countries must also commit to stabilising and reducing their emissions.

We call on the EU to show leadership in protecting the health of our communities from climate change and agree on a strict emission reduction target of over 30%, preferably 40% domestic carbon dioxide emissions reductions compared to 1990 levels, by 2020.

Finance global action: A fair and equitable agreement in Copenhagen should also provide new and additional resources for developing countries to reduce their climate footprint and adapt to the impacts of climate change.

The EU alone ought to contribute at least €35 billion per year to fund global adaptation and mitigation by 2020; and this should be in addition to overseas development assistance and other existing finance mechanisms to developing countries.

Next steps:

- 24 – 25 September: G 20 Summit Pittsburg: climate finance will be high priority on the agenda

International climate negotiations: key dates

- Bangkok 29 Sept – 6 October: climate finance under discussion
- Barcelona 2 – 6 November: final UN preparatory meeting before Copenhagen; crucial meeting
- Copenhagen 7 – 18 December: COP 15; global commitment to reduce climate change expected

EU context: Preparing EU input towards Copenhagen

- Ministers of Environment 21 October: to agree on EU position for Copenhagen
- Ministers of Finance 20 October: expected to adopt conclusions on climate finance
- EU Heads of States 29-30 October: expected to agree on EU position on climate finance and other elements of future Copenhagen treaty
- EU Heads of States 10-11 December: Heads of states meeting; (if necessary could adjust EU position on climate in view of negotiations at COP 15)
- European Parliament: Resolution on Copenhagen plenary vote on 23 November.

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