

International Development Committee: Consultation on Climate: Comments by Global Justice Now (GJN) – South East London

GJN South East London represents a small group of committed individuals keen to support the needs of the poorest in developing countries. It is open to all, and meets regularly for self-education and targeted political action. We are submitting evidence to the Committee as we feel the Government is failing to use Britain's wealth to assist the world's poorest, and as such, we will not be as effective climate leaders at COP26 as we could and should be.

Issue 1: The extent to which the Government has made progress on implementing the Committee's recommendations, particularly those on climate finance, climate justice, the use of ODA to support fossil fuels and making climate change a strategic priority in all aid spending.

The Government has made policy changes to refocus ODA on curtailing climate change, reflecting the Committee's recommendations, but these changes are insufficient and inadequate. It has in principle said that public ODA financing of fossil fuels' investments should end, but then failed to follow through with a full implementation policy. Its approach thus fails in terms of meeting both the SDGs and the Paris Agreement's 1.5 degrees ideal temperature limit.

It is **inadequate** as the ban on public financing excludes some support for investment in natural gas utilities, as well related infrastructure. The CDC bank, in which the UK government is the only shareholder and which is at least partially funded by ODA, will still be allowed to make certain fossil fuel investments. There are examples of gas-fuelled power stations in Mozambique and Ghana. Similarly the PIDG, which is receiving UK aid, has been supporting gas-power utilities and related infrastructure, and under the recent government policy announcement this will be allowed to continue.

Though the current size of these loopholes is thought to be quite large, their exact dimensions are unclear. In 2021/22, the UK is reported to be giving £779m out of a total aid budget of approximate £10bn to CDC and PIDG, though this does include some support for renewables.

It is **inconsistent** as the emissions' impact of these permitted exclusions will partially offset the positive impact of the intended domestic cuts. The Sixth Carbon Budget, which the Government is set to approve, aims to cut domestic GHG emissions by 78% by 2035, in part through the Prime Minister's Ten Point Plan. However, this target will not be fully achieved if Britain's ODA also supports "business as usual" overseas through new CO2 emitting power stations and related infrastructure in Africa and elsewhere.

Encouraging emissions of CO2 and methane in Africa through new investments, whilst simultaneously cutting these GHG emissions domestically is pointless from the world climate perspective. The specific location of the emissions is irrelevant when monitoring the global warming impact of GHGs.

Pipeline leaks are one of the main sources of methane, according to the European Space Agency (https://www.esa.int/Applications/Observing_the_Earth/Copernicus/Sentinel-5P/Monitoring_methane_emissions_from_gas_pipelines). Moreover other reports say large cuts in methane emissions will be needed if governments are to meet the Paris 2050 targets. (See below for related comments on COP26).

Climate justice

The policy of allowing both CDC and PIDG to continue funding certain capital and carbon intensive gas projects with UK finance also conflicts with a strategy of poverty reduction and fairness. Such installations will tend to serve richer urban households and businesses, rather

than poorer rural families. They may also discriminate against marginalized communities, such as women, and locally-indigenous groups (eg in terms of their employment, for example).

As the policy in addition locks in assets that may soon be stranded, it would appear to be short-sighted. Gas-fuelled utilities in middle income developing countries (eg Ghana, Myanmar) may well have to be replaced within 5-10 years by renewable energy, as pressure for emissions reductions mount. Thus investing instead in solar renewables today could provide a longer term climate-compatible benefit to a much wider set of people at a lower cost. Such alternatives could thus benefit those least responsible for climate change, and already – in some cases - suffering its gravest consequences.

Issue 4: The potential of COP26 to address these remaining challenges effectively and the steps the Government needs to take if COP26 is to succeed in tackling them.”

At COP26, the Government is likely to be challenged on both these inadequate and inconsistent financing policies, which will be more visible since the aid budget has been cut significantly. Steps taken today to refocus on climate justice (eg via renewables) would help show the UK as a climate leader, with high ambition and addressing the inequalities faced by the global poorest.

Moreover, it will be political hypocrisy for the UK to blame China and India for constructing new fossil fuelled power stations, if the UK is funding the same. As such, it would weaken Britain's claim to high ambition and leadership in Glasgow.

In addition, recent mitigation reports have put a new emphasis on methane, as a potent (if shorter-lived GHG pollutant). As existing mitigation approaches (eg higher worldwide NDCs, BECCS etc) to achieve net zero are increasingly seen as insufficient, global political pressures will mount for new policies; these could well include stemming methane leaks. In this context, current financial support for gas-fired power installations and infrastructure are likely to be characterised negatively in Glasgow. Far better for the UK to show its foresight and refocus now on low and zero carbon investments to benefit substantially more households in the interests of equity.