

## THE PLAN FOR A GREEN, FAIR AND HEALTHY RECOVERY

#### PRIORITY RECOMMENDATIONS FOR GOVERNMENT

As the UK emerges out of this health crisis, focus must turn to how we build back better. We can only forge a resilient economy at home and overseas by putting climate action, sustainability and justice at the heart of our recovery.

We are at a crucial juncture in history when the actions taken now to respond to the pandemic and rebuild our economies will determine whether humanity succeeds in our goal to limit global temperature rise to 1.5°C, halt and reverse the decline of nature and eradicate poverty. Only then can we build the prosperous and fair future envisioned in the Paris Agreement and the Sustainable Development Goals.

With the world already facing the triple emergencies of climate change, the destruction of the natural world, and global poverty, the time is now for decisive action.

As the Foreign Secretary set out on behalf of the Prime Minister in his statement to the Petersberg Climate Dialogue in April: "Nations will begin to emerge from lockdown and look to fire up their economies once again. When that happens, it will be the duty of every responsible government to see that our economies are revived and rebuilt in a way that will stand the test of time. That means investing in industries and infrastructure that can turn the tide on climate change."

The UK has the opportunity to develop a more resilient economy by embedding the core principles of a clean and sustainable energy future, improving resilience and creating an economy future-proofed from economic, social and environmental threats. The IPCC's report on limiting heating to 1.5°C demonstrated that there are many approaches that can deliver both climate and sustainability co-benefits. The private sector will play a critical role in forging that recovery and policies are needed to leverage in their investment.

Recovery is also a chance for the government to level up whilst accelerating a just net-zero transition. It is essential that the recovery tackles inequality, boosting jobs in the areas of greatest need, transforming the lives of all, including the most vulnerable at home and abroad. The benefits of the net-zero transition must be shared fairly and the costs must not fall on those least able to pay.

During this health crisis, many have found personal resilience through engagement with nature. It has also laid bare the fundamental connection between healthy, flourishing and productive communities and a thriving natural world. Indeed, our survival depends upon it. Our response to this crisis must take account of its value.

Last year the government set into law a net zero climate target. This year it must put forward a high ambition NDC and long-term strategy in line with net-zero, and climate justice. In November next year, the UK will host the UN Climate Summit, COP26. This is an opportunity for the UK to lead the world in accelerating the transition to net-zero. The best way to show this leadership is to put climate action at the heart of our economic recovery.



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# 1. A sustainable economic recovery in the UK must promote climate resilient investments and growth in green jobs

The government can turbocharge its delivery of a stronger, more productive, inclusive and resilient economy by investing in renewables and efficient energy infrastructure. Green upskilling programmes can support secure, future-proof jobs at the heart of communities across the country. The economic recovery plan should give priority to the following:

Make buildings fit for the future: Major infrastructure programmes to decarbonise buildings, including making all homes energy efficient by 2030 and accelerating adoption of heat pumps, are needed in every nation of the UK. This can deliver huge economic benefits and generate over 100,000 jobs. It can build economic resilience by reducing energy bills, which will lead to increased economic demand, whilst tackling fuel poverty, improving the health of residents, reducing NHS costs and slashing carbon emissions.

Accelerate electric vehicle demand & build on growing clean transport trends: To build a resilient future we must put sustainability and net-zero at the heart of all UK nations' transport infrastructure plans. The UK government must build a zero carbon transport system fit for the 21st century which can boost productivity, create jobs and clean up the air we breathe. Instead of new road building, priority should be given to the electrification and upgrade of public transport, increasing investment in electric vehicle charging infrastructure, speeding up the transition to electric vehicles and a long term programme of investment for walking and cycling. This can also help to prepare for the potential need for longer lasting social distancing and investment can begin in areas most in need of regeneration.

Speed up development of a zero carbon power system built to support the cleanest and cheapest forms of energy: Renewables have already proven their economic resilience as this health crisis has unfolded. Now is the time to accelerate investment in sustainable renewables, energy storage and strengthening energy networks. A zero carbon power system will be the bedrock of a sustainable and resilient energy system. Accelerating investment now will boost jobs, build economic resilience to future shocks and get us on track for the electrification of heat and transport.

**Unleash local zero carbon action:** Devolved nations, city mayors and local authorities should be supported to design and deliver just, net-zero transition strategies that meet local and regional needs of citizens. They should be given extra powers and resources to aid net-zero skills development, retraining and local investment – especially in places where many people are employed directly or indirectly in carbon-intensive industries.

#### 2. Accelerate private sector investment in the UK clean energy transition:

Recovery measures should be focused on boosting private investment in the UK in a way that is future-focused, takes climate change into account and is sustainable, inclusive and resilient. Regulation alongside incentives can be used as a tool to accelerate the rate at which the private sector contributes to creating a sustainable net zero economy, whilst minimising the burden on public spending and boosting long term productivity. The demand from investors for green, low carbon opportunities is there; recovery should provide a pathway:

**Develop a Climate Infrastructure Bank** to provide an institution dedicated to leveraging in private investment, including to local authorities, to speed up the transition to net-zero, whilst levelling up the UK.

**Give wider power to cities and local authorities** to attract private sector investment in the transition to net-zero.

**Adopt and implement a Net-Zero Finance Plan** - a net zero strategy can only be effectively implemented if the Government also has a plan to finance it and maximise the leverage of private investment. To include how to finance decarbonisation of transport, power, industry, agriculture and buildings.

Help the finance sector to play its part in building a resilient and just recovery by making climate disclosure mandatory and require all UK regulated financial institutions to have a strategy in place by the end of 2021 to meet the Paris Agreement, extending across global practices.

#### 3. The Net-Zero Rule

The government must set the foundation for a sustainable, resilient and inclusive recovery by adopting a new economic test to ensure the UK economic recovery plan, public spending and taxation get us on track to net-zero and 1.5°C, help level up and are delivered in harmony with nature. Bailouts for business must also be conditional on plans and action to align with net-zero and 1.5°C. This economic rule should be independently verified and monitored by the Committee on Climate Change and the Office for Budget Responsibility.

#### 4. Protect and restore UK ecosystems and nature-rich green space:

Throughout the Covid-19 pandemic, the relationship between people and nature has strengthened. The appreciation for nature-rich green space and awareness of the co-benefits between a healthy ecosystem, sustainable economies, resilience to shocks and our social and mental wellbeing are clearer than they have ever been. As such, the health and well-being of people and nature must be placed at the heart of the recovery and access increased to nature-rich green space for everyone.

Covid-19 has taught us that we can't afford to underestimate the value of nature, which we rely upon for our very survival. Nature based solutions have huge potential for building resilience and providing long-term economic benefits at the same time as delivering positive outcomes for biodiversity and climate. They also support employment and expenditure across the country, underpinning precious jobs, especially in rural areas and coastal communities, contributing to the government's levelling up strategy. However, nature-based solutions must not be used as a substitute for a rapid fossil fuel phase-out, including demand reduction where necessary, and must not delay urgent action to decarbonise the UK economy.

The UK must put in place a world leading system of environmental protection and ambitious targets for the restoration of nature, enforced by a strong, independent regulator and based on accessible environmental law and principles. Alongside this, the Government must prioritise investment in the transition to a land use and farming system that delivers for nature, climate and human health by protecting and restoring natural ecosystems - on land and at sea. There should be a focus on those outcomes which enhance biodiversity and act as crucial carbon sinks - creating ambitious Nature Recovery Networks, increasing woodland cover and helping UK farming to be net-zero, resilient and nature friendly as soon as possible. Investment should also be increased in sustainable flood defence to protect vulnerable communities and enhance biodiversity.



#### Lead the world to deliver a sustainable, inclusive and resilient recovery that leaves no-one behind

- **5. Align all UK public finance with a just energy transition:** the UK must support a more sustainable, resilient and inclusive economic recovery in developing countries by ending all public support, both aid and export finance, for fossil fuels overseas and supporting countries instead to leapfrog to renewable and efficient energy, and energy access for all. This will ensure the UK's leadership in reducing its domestic emissions and on phasing out coal finance is not undermined by locking in further fossil fuel infrastructure overseas, including oil and gas. Focusing UK export finance on the renewable energies of the future will support this growing sector and create more jobs at home. The government should proactively engage Multilateral Development Banks, other financial institutions and other governments to do the same.
- **6. Support the most vulnerable, including the world's poorest**: In line with its historic contribution to the climate crisis, the UK government must help to drive a resilient, sustainable and inclusive global recovery by strengthening international support for the most vulnerable countries and communities worldwide. The UK must champion debt relief to enable developing countries already drowning in debt to tackle both the COVID-19 and climate crises, as well as significantly increased grant-based climate finance. It is unacceptable that developing countries have to increase their debt burden to pursue low carbon and climate resilient development pathways that benefit all. The UK must use its major shareholder status at the World Bank and IMF to advocate for full cancellation of debt payments of the poorest countries due in 2020, and a more fundamental debt restructuring beyond 2020. The UK must also play a global leadership role to ramp up international climate finance to enable vulnerable countries and communities to adapt to climate change, build resilience, including through food and water security, and address unavoidable losses and damage.
- 7. Protect and restore global ecosystems: The UK must be at the forefront of efforts to halt and rapidly reverse the decline of biodiversity and nature globally, given nature's vital role in limiting catastrophic climate change and ensuring our future generations' ability to produce food, to have enough water, to remain healthy, and to thrive. These efforts must be reflected in securing an ambitious outcome from negotiations under the Convention on Biological Diversity in 2021. The UK can also lead the way in forging a new global agreement to ensure commodities are produced sustainably, do not drive deforestation or forest degradation and benefit local communities, by introducing due diligence legislation. Our international trade deals must also uphold the highest standards of environmental and social protection and trade terms should be explicitly subject to environmental and human rights commitments. The UK must ensure that all of its ODA including covid-19 humanitarian response at the very least does no harm to, and where possible actively contributes to, addressing the triple emergency of climate change, nature loss, and poverty in developing countries.

The Climate Coalition, together with 57 organisations



















Catholic Agency for Overseas Development























































































## The Commitment x













