

T7 Task Force on Climate and Environment

ISSUE PAPER TASK FORCE 1: SAVING THE PLANET

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Executive Summary

Humans are destroying the planet through unrelenting emissions of greenhouse gases, land use change and pollution, causing widespread biodiversity loss and ongoing land, forest and ocean degradation that are undermining human health and harming agriculture and food production. These challenges can be addressed in a limited window of opportunity. G7 leaders at Elmau should:

- 1. Create climate clubs
- 2. End fossil fuel subsidies
- 3. Expand climate finance
- 4. Bolster biodiversity
- 5. Strengthen sustainable agriculture, food and water security
- 6. Create climate-health benefits

These six recommendations should be implemented in SDG-supportive, jobs-rich, inclusive, equalityenhancing, gender-equalizing, independently monitored and continuously improved ways.



Challenge

Our planet is in great peril. We will soon make it unliveable unless we act urgently in transformative ways. We have relentlessly increased atmospheric concentrations of greenhouse gases and are rapidly approaching the irreversible tipping point of 420 ppm and a temperature of above 1.5°C beyond preindustrial levels. Biodiversity loss driven by climate and land use changes, pollution and overuse of resources is massive, accelerating and threatening to wipe out the bees and other pollinators on which our agriculture, food and, ultimately, life depend. Our oceans are acidifying, dying, warming, expanding and rising, submerging our major coastal cities and low-lying countries around the world. Pollution from plastics, chemicals, hydrocarbons and other sources poisons plants, nature, humans and other living things. Global warming harms human health, particularly due to excessive heat, lack of freshwater, malnutrition and changing distributions of diseases such as malaria. Climate change is also affecting the economy through reduced productivity and higher costs with increasing heat and weather extremes, threatening existing supply chains.

Unless we act to save our planet now, none of the other things we value, currently identified as G7 and T7 goals, can be achieved. We must urgently put our planet first.

Proposals

G7 leaders can make a major advance by doing six things that together solve many of these interlinked challenges. All of these proposals are within the G7's power to do; and some the G7 has promised to do before, at least in modest or related ways.

1. **Create** <u>climate clubs</u> with a G7 core and in close partnership with the EU members and other countries willing to join to lower greenhouse gas emissions by <u>60% by 2030</u> compared with 2010 levels, including by a) ending coal-fired electricity by 2030 at the latest; b) ending new upstream coal, oil and gas supply infrastructure projects; c) preserving <u>peatlands</u> and growing over <u>one trillion trees</u>; d) expanding land and <u>marine-protected areas</u> to over 30% of their national territory, supporting this for all the oceans and reducing plastic pollution; e) a joint approach to <u>carbon pricing</u> with a common price floor and a differentiated and fair carbon border adjustment mechanism to avoid carbon leakage; and f) shaping climate-friendly <u>cryptocurrency</u> regulations and <u>clean IT</u> by design, while supporting <u>community networks</u>, engineering, <u>expert</u> and other knowledge transfer, appropriate <u>legal instruments</u>, and the "voluntary cooperation" noted in Article 6 of the Paris Agreement.

2. End <u>fossil fuel subsidies</u>. Freeze, reduce, end and report all fossil fuel subsidies, by stopping those for the development, production, use and distribution of coal in 2022, of non-offset heavy oil by 2023, non-offset light oil and natural gas by 2024, and all <u>nature-harmful ones</u> by 2025, while shifting these energy subsidies to <u>renewable sources</u> in proactively identified suitable sites and to natural carbon sinks, in ways that benefit the poor.



3. **Expand** <u>climate finance</u> for developing countries by having G7 governments together fill the gap this year to reach the promised \$100 billion per year, and increasing this amount each year, by using their share of the new International Monetary Fund's Special Drawing Rights, financing from multilateral development banks such as the <u>Asian Development Bank</u> and "<u>debt for nature</u>" swaps, in ways that advance climate mitigation, adaptation and resilience goals and bring broad <u>nature-positive benefits</u>, while supporting <u>MSME financing through a digital utility</u>.

4. **Bolster** <u>biodiversity</u> through socially just and inclusive nature-based solutions as a core component of climate-resilient development. Preserve all <u>old-growth forests</u> and all <u>peatlands</u>; build and maintain green and blue urban infrastructure; protect wetlands, mangroves, coral reefs and other biomes; stop overfishing; create clean water; and respect <u>Indigenous peoples'</u> rights and involve them, local communities and subnational governments in designing and delivering the necessary programs.

5. **Strengthen sustainable** <u>agriculture</u>, <u>food</u> and water security</u>, to support planetary and human health, by shifting supports from animal to plant production and consumption; removing environmentally damaging subsidies that incentivize soil and water degradation and overfishing; enforcing environmental protection laws; raising animal welfare standards; and harnessing local and Indigenous knowledge on sustainable environmental management practices to support livelihoods.

6. **Create** <u>climate-health</u> **benefits** through an ecologically enhancing healthcare system that improves physical, mental and emotional health by making healthcare facilities climate resilient and carbon reducing through early-warning systems, monitoring adaptation success, and improving design and siting, using nature and a One Health approach.

All six proposals should be implemented in <u>SDG-supportive</u>, jobs-rich, inclusive, equality-enhancing, gender-equalizing, independently monitored and continuously improved ways.

Implementation

1. **Create climate clubs:** To lower greenhouse gas emissions by 60% by 2030 compared with 2010 levels, G7 members in close partnership with EU members and other countries willing to join should create or expand climate clubs to do the following:

a) *Cutting coal.* At their Cornwall Summit in 2021 G7 leaders committed to end "new direct government support for unabated international thermal coal generation by the end of 2021." By February 1, 2022, they complied at a level of 88%. At Elmau, they and willing partners, led by Canada, the UK and members of the Powering Past Coal Alliance, or a new club, should agree to end such support for their own domestic thermal coal generation for electricity in 2022, for international metallurgical coal generation in 2022, for any coal imports from Russia and its supporters in 2022, and agree to phase out the use of unabated or non-offset coal for electricity generation by 2025.

b) *Preserve peatland and grow over one trillion trees.* In Cornwall G7 leaders committed to "support and drive the protection, conservation and restoration of ecosystems critical to halt and reverse biodiversity



loss and environmental degradation, and to tackle climate change." By February 1, 2022, they complied at 100%. Given that peatlands are seven times more potent than trees in sequestering carbon, in Elmau leaders should specifically agree to preserve all existing peatlands within their territories, provide full financial support to Indonesia, the Congo and other leading peatland powers to do so now, and help Russia to do so when it ends its war against Ukraine.

In Cornwall, G7 leaders committed "to strive to end the loss of natural forest by 2030, as per our commitment in the 2014 New York Declaration on Forests and Sustainable Development Goal 15." In Elmau they should specifically promise to do their fair share to meet the global goal of planting one trillion trees by 2030 for planetary and human health, by using locally appropriate trees that provide medicines and promote health and biodiversity (including genetic diversity), by nurturing their growth, and by creating many new jobs for this purpose, while not undermining food security. To do so they should mobilize their citizens, private sector and other stakeholders including Indigenous peoples to help in planting and maintaining tree health, while preventing deforestation and assisting others in such efforts.

c) *Expand land and marine-protected areas* to over 30% of national territory, support this for all oceans and reduce plastic pollution. In Cornwall, G7 leaders committed to "conserve or protect at least 30 percent of our land and oceans by 2030" and to "accelerate action to tackle the increasing levels of plastic pollution in the ocean from all sources – land and marine – including by working through the UN Environment Assembly on options including strengthening existing instruments and a potential new global agreement or other instrument to address marine plastic litter, including at UNEA-5." In Elmau, they should agree to annually expand fully national protected areas by at least the required amount for the next seven years, to support protecting over 30% of all oceans by 2020 and to set quantitative targets and timetables for reducing their own countries' plastic pollution.

d) *Price carbon and prevent leakage.* Pricing carbon and greenhouse gas emissions, following the classic "polluter pays" principle, is the most efficient and market-friendly way to reach the emission reduction targets each G7 member set in 2021 to achieve by 2030. This value has been shown by the Emissions Trading Scheme in Europe, the national carbon pricing program in Canada and similar ones in several US states. In Elmau, G7 leaders should agree on the importance and value of a national carbon price and promise to work towards securing one and improving their own as soon as possible.

In Cornwall, G7 leaders agreed on the need to use trade measures to reach their ecological goals. Acknowledging "the risk of carbon leakage," they promised to "work collaboratively to address this risk and to align our trading practices with our commitments under the Paris agreement." In Elmau, they should agree on a joint approach to carbon pricing with a common price floor and a differentiated and fair Carbon Border Adjustment Mechanism to avoid carbon leakage, inspired by Article 6 of the Paris Agreement.

e) *Shape climate-friendly cryptocurrency regulations and clean-IT by design.* In Cornwall, G7 leaders agreed: "We will explore how existing and potential new mechanisms and initiatives can support [digitalization]." In Elmau they should shape climate-friendly cryptocurrency regulations and clean-IT by design, while supporting community networks to transfer engineering, expert professional and other knowledge transfer, appropriate legal instruments, and the "voluntary cooperation" noted in Article 6 of the Paris Agreement.



2. End fossil fuel subsidies: G7 members and all their G20 partners promised to do this "in the medium term" (i.e., about five years) at the G20's Pittsburgh Summit 12 years ago in 2009, and at almost every G20 summit since. G7 leaders committed in Cornwall in 2021 to do so by 2023. In Elmau, G7 and EU members and any willing partners should agree to stop, reverse or offset any fossil fuel subsidies they have added or expanded this year. They should also stop subsidizing the development, production, use and distribution of coal in 2022, non-offset heavy oil by 2023, non-offset light oil and natural gas by 2024, and all natureharmful subsidies by 2025. These actions should cover all production, distribution and consumption subsidies, from direct or tax expenditures by central and subfederal governments, with such subsidies defined and progress monitored and assessed by the International Energy Agency, Organisation for Economic Co-operation and Development, International Monetary Fund and the UN Environment Programme. G7 members should shift some of these subsidies to direct payments to the poorest consumers harmed by these changes, to the producing workers for retraining and to new, especially reliable, renewable energy sources in proactively identified optimum and suitable sites within the participating countries. Ending fossil fuel subsidies will significantly cut carbon emissions, raise government finances, improve human health, cut corruption and reduce energy security threats from Russia and elsewhere.

3. **Expand climate finance for developing countries:** At their Cornwall Summit, G7 leaders committed to "the collective developed country goal to jointly mobilize \$100 billion per year from public and private sources, through to 2025 in the context of meaningful mitigation actions and transparency on implementation. Towards this end, we commit to each increase and improve our overall international public climate finance contributions for this period." Some members have since made substantial contributions. In Elmau G7 leaders including those in the EU should act to fill the gap to reach the promised \$100 billion this year, using direct contributions, their share of the IMF's Special Drawing Rights. Funds can be routed through the Resilience and Sustainability Trust, and use multilateral development bank financing and "debt for nature" swaps to increase this amount each year, in ways that advance climate mitigation, adaptation and resilience and ensure full nature-positive climate, biodiversity and ecological benefits, while supporting SME financing through a digital utility

4. **Bolster biodiversity:** Around 75% of the land surface has been significantly altered by humans and 85% of wetlands lost, with substantial impacts on species distribution, seasonal and biological lifecycles, population dynamics, community structure and ecosystem function. Climate change is a key driver and already impacting biodiversity across scales, from genes to entire ecosystems. We must act now to reorient ourselves onto pathways that enable climate-resilient development – an approach approved by governments in the recent Sixth Assessment Report of the Intergovernmental Panel on Climate Change. Climate-resilient development requires addressing mitigation, adaptation and sustainable development together to ensure planetary health and human well-being to harness synergies and deliver co-benefits for people. At their Cornwall Summit, G7 leaders committed to "halting and reversing biodiversity loss." In Elmau they must mobilize nature-based solutions to help address both climate change and biodiversity challenges, designed and implemented in ways that respect Indigenous peoples' rights and values and allow all stakeholders a voice. The unequal distribution of reliance on nature and the unequal distribution of climate impacts mean the G7 must act in just and equitable ways to ensure no one is left behind.



5. **Strengthen sustainable agriculture, food and water security**: The global food system is broken, with food and water security under threat. Business-as-usual agriculture is grounded in short-termism, undermining the resilience of many agricultural systems to pests, pathogens and climate change, and billions of smallholder livelihoods remain precarious. Risks to food security, particularly for low-income countries dependent on grain imports from Russia and Ukraine, have been exacerbated by Russia's war. The G7 needs to recognize the different starting points of different countries in moving towards sustainable agriculture and green supply chains. Appropriate support is needed that leverages changes to economic, legal, political, institutional and socio-cultural conditions to transform agriculture, supply chains and build food system resilience. Transforming governance towards joined-up actions such as Integrated Water Resources Management can help manage water and land in ways that maximize economic and social welfare equitably while improving planetary health.

6. **Create climate-health benefits:** In Cornwall, G7 leaders agreed to simultaneously improve the climate and human and animal health by committing to "Improving integration, by strengthening a 'One Health' approach across all aspects of pandemic prevention and preparedness, recognising the critical links between human and animal health and the environment." In Elmau, they should agree to secure the much broader array of climate-health co-benefits supporting an ecologically enhancing healthcare system to improve physical, mental and emotional health. This means making healthcare facilities climate resilient by integrating surveillance, monitoring and early-warning systems, benefitting from state-of-the-art digitalization and adapting healthcare systems to ongoing climatic changes. The G7 needs to recognize the importance of supporting and financing climate neutral health systems and of integrating and financing climate change action in the global health architecture by committing to enhance and sustain funding for the World Health Organization. Furthermore, major benefits will come from integrating interconnected challenges with respect to pollution and health and through investing in capacity building and health workforce training in the light of the green revolution and creating "green jobs."



Appendix: Policy Briefs

Create Climate Clubs

- Axel Michaelowa, Philipp Censkowsky, Clara Brandi, Michele Stua, Sonja Peterson, Mei Lin Fung, Colin Nolden, Ingo Venzke, Tim Banning: **TOWARDS AN INCLUSIVE ALLIANCE WITH A BALANCE OF CARROTS AND STICKS**
- Claire Fyson, Bill Hare, Tabea Lissner, Andrzej Ancygier, Marie-Camille Attard, Jonas Hörsch: **THE G7 NEED TO STEP UP CLIMATE AMBITION; ACTION AND FINANCE**
- Brittaney Warren: NATURE-BASED SOLUTIONS FOR CLIMATE CHANGE
- Mirja Schoderer, Henry Bittig, Françoise Gaill, Kristina Gjerde, Sheila JJ Heymans, Birgit Klein, David Obura, Torsten Thiele, Sebastian Unger, Martin Visbeck, Anna-Katharina Hornidge: SAFEGUARDING THE BLUE PLANET – EIGHT RECOMMENDATIONS TO SUSTAINABLY USE AND GOVERN THE OCEAN AND ITS RESOURCES
- Michael Sung, Mei Lin Fung, Ndemo Bitange, Brian Omwenga: CENTRAL BANK DIGITAL CURRENCY FOR CLIMATE-COVID-CREDIT TRANSITION TO DIGITAL AFRICA
- Christoph Meinel, Mei Lin Fung, Maxim Asjoma: CLEAN-IT: POLICIES TO SUPPORT ENERGY-EFFICIENT DIGITAL SYSTEMS
- Mei Lin Fung, Ilan Chabay, Pedro Ahlers, Jesus Crespo Cuaresma, John Aston, David Roos, Navroop Sahdev: COMMUNITY CLIMATE CLUBS TO MOTIVATE AND SUPPORT PERSONAL ACTION FOR AN EQUITABLE WORLD
- Maike Luiken, Alpesh Shah: SCALING CLIMATE GOALS THROUGH THE USE OF TECHNICAL EXPERTS & DIGITAL TECHNICAL KNOWLEDGE COMMONS
- Rafael Leal-Arcas: CREATING AN EFFECTIVE, LEGALLY BINDING AND ENFORCEABLE CLIMATE CLUB

End Fossil Fuel Subsidies

- Agustin Redonda, Christian von Haldenwang, Ronald Steenblik: G7 COUNTRIES MUST URGENTLY PHASE OUT FOSSIL FUEL SUBSIDIES
- Andrew Deutz, Jack Bobo, Robert Tansey: **REFORM SUBSIDIES HARMFUL TO NATURE**
- Andrew Deutz, Bruce McKenney, Mark Lambrides: ACCELERATING RENEWABLE ENERGY DEPLOYMENT FOR ENERGY AND NATURE SECURITY

Expand Climate Finance

- Claire Fyson, Bill Hare, Tabea Lissner, Andrzej Ancygier, Marie-Camille Attard, Jonas Hörsch: **THE G7 NEED TO STEP UP CLIMATE AMBITION, ACTION AND FINANCE**
- Dina Azhgaliyeva, Aidan Hollis, Thomas Pogge, Dil Rahut, Yixin Yao: FINANCING A GREEN FUTURE: THE ENERGY TRANSITION MECHANISM (ETM) AND THE GREEN IMPACT FUND FOR TECHNOLOGY (GIFT)
- Andrew Deutz, Andreas Hansen: USING DEPT CONVERSATIONS TO SUPPORT THE SUSTAINABILITY AGENDA
- Andrew Deutz: ALIGNING CLIMATE AND BIODIVERSITY FINANCE
- Tamara Singh, Fung Mei Lin, Eileen Murray, Anthony Lacavaro, Matthew Gamser, Brian Omwenga, Ndemo Bitange, Homi Kharas, GLOBAL PUBLIC-PRIVATE DIGITAL UTILITIES FOR MSME RECOVERY AND TRANSITION



Bolster Biodiversity

- Dil Rahut, Dina Azhgaliyeva, Yixin Yao: BIODIVERSITY PROTECTION THROUGH REWARD MECHANISMS AND GOVERNANCE
- Brittaney Warren: NATURE-BASED SOLUTIONS FOR CLIMATE CHANGE

Strengthen Sustainable Agriculture, Food and Water Security

- Corine Pelluchon: FOOD AND AGRICULTURE
- H R Hanumankar, Dil Rahut, Dina Azhgaliyeva, Yixin Yao: FOOD-CLIMATE NEXUS: THE NEED FOR AN INTERNATIONAL SMALL HOLDER FARMERS' AGRIBUSINESS CONSORTIUM

Create Climate-Health Benefits

• Maike Voss, Sophie Gepp, Sabine Baunach: CLIMATE CHANGE AND HEALTH

General

• Mark Elder: USING THE SDGs TO REALIZE THE G7'S "GREEN REVOLUTION THAT CREATES JOBS"



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Prof. Dr. Daniela Jacob is meteorologist and director of the Climate Service Center Germany (GERICS), a scientific organizational entity of Helmholtz-Zentrum Hereon, and visiting professor in the Faculty of Sustainability at Leuphana University.

Jacob was coordinating lead author of the IPCC Special Report on the impacts of global warming of 1.5°C above preindustrial levels, and one of the lead authors of the IPCC Fifth Assessment Report (Working Group 2).

Jacob chairs the German Committee Future Earth (DKN) and co-chairs the Wissenschaftsplattform Nachhaltigkeit (WPN2030). She is a member of the European Commission's Mission Board on Adaptation to Climate Change including Societal Transformation and a member of the Earth League, an international alliance of prominent scientists from world-class research institutions, as well as a member of several other committees. Her main research fields are local and regional climate modelling, the hydrological cycle, climate services and adaptation to climate change. She is editor-in-chief of *Climate Services*, a scientific journal she co-founded with Elsevier.

John Kirton – Director, G7 Research Group and G20 Research Group



John Kirton is director of the G7 Research Group, G20 Research Group and the Global Health Diplomacy Program, and co-director of the BRICS Research Group, all under the umbrella of the Global Governance Program based at the University of Toronto. A professor of political science, he teaches Canadian foreign policy, global governance and international relations.

Kirton's most recent publication, co-authored with Ella Kokotsis and Brittaney Warren, is *Reconfiguring the Global Governance of Climate Change* (Routledge, 2022), which builds on *The Global Governance of Climate Change: G7, G20 and UN Leadership*, co-authored with Ella Kokotsis (Ashgate, 2015). He is also the author of *G20 Governance for a Globalized World* (Ashgate, 2013), and editor or co-editor of many other books, including *Accountability for Effectiveness in Global Governance* (Routledge, 2018).

Kirton is co-editor of *G7 UK: The 2021 Cornwall Summit* and *G20 Italy: The 2021 Rome Summit*, the most recent in a series of publications produced by GT Media. He is also co-editor, with Ilona Kickbusch, of a series of publications on *Health: A Political Choice*.



Lindsay C. Stringer – Professor in Environment and Development, University of York



Lindsay Stringer takes an interdisciplinary approach to focus on humanenvironment relationships, particularly the links between livelihoods and environmental change; science, policy and environmental governance; and the practical and policy mechanisms that can advance sustainable development.

Stringer was a coordinating lead author for the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) Regional Assessment for Africa (2018), as well as lead author for the IPBES Land Degradation and Restoration Assessment (2018), and a member of the IPBES Expert Group on Policy Support Tools and Methodologies. She was a lead author on the IPCC special report on Climate Change and Land (2019) and for the IPCC's Sixth Assessment Report, responsible for sections of chapter 8 on Poverty, Livelihoods and Sustainable Development, and coordinating-lead author of Cross-Chapter Paper 3 on Deserts, Desertification and Semi-arid Areas.

Stringer is a member of the Economics of Land Degradation (ELD) Initiative working group on Options and Pathways to Action. She chaired the Independent Task Force of the CGIAR's Research Programme on Dryland Systems and sits on the International Scientific Advisory Board of the Centre for Dryland Agriculture at Bayero University Kano, Nigeria. She was awarded a Philip Leverhulme Prize for her work on sustainable development in drylands in 2013, and received a Royal Society Wolfson Research Merit Award in 2017.









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