

Faced with a global food and energy crisis, it is time to deliver

CAFOD position paper on COP27 priorities

The world faces multiple crises with billions struggling with the cost of living. A food crisis has swept the world, leaving 828 million [people facing hunger](#). The energy crisis has come on the back of skyrocketing prices as countries scramble to secure essential goods and people struggle to pay their bills and afford gas to heat their homes.

Extreme weather events are increasing in frequency and intensity. Many countries and communities are struggling to adapt, experiencing significant losses and damages: both economic and non-economic. The annual US\$100 billion in international climate finance [promised](#) by developed countries has not materialised. This deficit occurs during a global food and energy crisis.

Decarbonising the global economic system is urgent to ensure that greenhouse gas emissions [peak by 2025](#), limiting global warming to a 1.5-degree temperature rise above preindustrial levels. Meanwhile the costs in low-income countries to adapt to climate change, including their food systems, are [five to ten times greater](#) than current public financial flows.

“The undeniable truth is that this calamity has not been triggered by anything we have done.”

Prime Minister Shahbaz Sharif, talking about the floods in Pakistan, UN General Assembly, September 2022

The people suffering the most due to the climate crisis did the least to cause it. The impacts of climate change are disproportionately borne by the countries with the lowest emissions and [least capacity to cope](#). Often, these countries are some of the [world's poorest](#). Many of these low-income developing countries are also former colonies, significantly impoverished by colonial and neo-colonial policies. Disasters this year such as severe flooding, which has caused death and mass displacement in Pakistan, and the worst drought in East Africa for 40 years, show that the impacts of the climate crisis extend far beyond the capacity of highly climate-vulnerable countries address them.

The UK's responsibility to act, as a developed country and high historical emitter, is extremely clear: the UK's total historical emissions ([4.6%](#) of the world total) are 5 times its current share of the world population ([0.9%](#)).

We outline four priority areas below on which governments need to deliver at COP27, and the role that the UK government can play both unilaterally and in the remaining weeks of its COP Presidency.

Four Priority areas for delivery at COP27

- 1. Make progress on loss and damage** – support the creation of an intergovernmental loss and damage finance facility and make a financial commitment as the UK government to endow it and build credibility.
- 2. Fulfil commitments on climate finance** – countries must fulfil their pledge to provide \$100 bn a year of climate finance and increase support for adaptation.
- 3. Tackle the global food crisis** – agree a clear mandate within the UNFCCC to reform food systems as part of climate action, including financial and policy support to transform food systems to work for sustainable development in the Global South.
- 4. Accelerate the renewable energy transition** – make good on commitments to stop all funding of fossil fuels overseas by 2022 and step up commitments to support renewable energy-powered development in the Global South.

Priority areas for delivery at COP27

1. Make progress on loss and damage

“We are now in the era of Loss and Damage. All over the world, climate impacts are taking hold, causing deep and painful suffering for millions of people. It is a moral imperative that world leaders respond to this at COP27 and deliver a financial package for communities impacted by Loss and Damage.”

Fr. Leonard Chiti, Jesuit Provincial for Southern Africa

The climate crisis and limited support for climate adaptation means that many poor and climate-vulnerable communities – especially in the Global South – are suffering loss or damage of their economic assets, like critical infrastructure. Many also suffer non-economic losses and damages, like the destruction of ancestral lands and ways of life. The injustice is that people who aren't responsible for the climate crisis are suffering its deadly consequences.

Loss and damage creates a ripple effect throughout economies and societies. For example, many low- and middle-income countries are forced to borrow funds after disasters to rebuild and recover. This debt, and the ways in which it constrains policy and financial decisions, undermines developing countries' ability to invest in preventative, climate adaptive measures, and to invest in broader development causes like healthcare and education.

Currently, the UNFCCC does not have an intergovernmental pool of funds dedicated to loss and damage. Only one sovereign country in the world – [Denmark](#) – has announced a commitment to have dedicated loss and damage finance. Despite [30 years of activism](#) on the issue of loss and damage, especially by the governments of small island developing states, many developed countries are still fighting to [avoid liability](#).

High-income governments must face their moral responsibility to address the climate crisis they are responsible for creating.

What needs to happen at COP27

- COP27 must establish and fund a Loss and Damage Finance Facility, with plans to support countries that are facing both economic and non-economic losses and damages.
- The UK government must commit to providing loss and damage finance.

2. Fulfil commitments on climate finance

At COP15 in 2009 in Copenhagen, developed countries created the goal of providing US\$100 billion in international climate finance per year by 2020. This finance was to be *new, additional, predictable, adequate, and accessible*. This promise was never met.

As of 2020, the OECD reports that only [83% of the target](#) has been reached—and some believe the true figure is [even lower](#). Moreover, the UK has failed to make international climate finance ‘new and additional,’ as it is [routinely double-counted](#) from a shrinking Official Development Assistance (ODA) budget.

The fact that wealthy countries have failed to meet a decade-old finance target has become a key stumbling block in climate action. Politically, it erodes confidence in the willingness of developed countries to deliver on promises. Practically, poorer countries have been left with insufficient resources to adapt to climate change or support green development, including renewable energy. In September 2022, [African leaders demanded action on climate finance](#), including a doubling of adaptation finance.

‘Annex I’ developed countries, including the UK, must fulfil their overdue pledge to provide US\$100 billion each year in climate finance, ramping up ambition in future targets like the [New Collective Quantified Goal](#). This is a matter of justice for those who are suffering most but have contributed least to the climate crisis.

Building upon the Glasgow Climate Pact from COP26 and its recognition of the critical importance of adaptation, all developed country Parties must commit to devoting 50% of their individual climate finance budgets to adaptation. Moreover, the UK – as outgoing COP26 President – must commit to COP27 processes to make international climate finance new and additional, so that it can free other funds for humanitarian assistance and other forms of development aid by removing competition for scarce aid-linked resources.

What needs to happen at COP27

- The UK must affirm a national commitment to make international climate finance truly ‘new and additional’. Finance for the climate cannot continue to come at the expense of humanitarian and development aid.

- Developed countries must fulfil their overdue pledge to provide US\$100 billion each year in climate finance and ramp up ambition in future targets. They must each commit to devoting 50% of climate finance to adaptation.

3. Tackle the global food crisis

The impacts of climate change and the Covid-19 pandemic helped reveal the fragility of the global food system, with rising food prices and the proportion of people affected by hunger [jumping to 9.8%](#) of the world population in 2021. The war in Ukraine compounded this situation. The impacts have been felt the most in low-income countries, especially those reliant on food imports, as seen by the East Africa food crisis.

The current system, dominated by industrial scale production of food commodities such as meat, sugar, soy and palm oil, is a major driver of climate change, with [34%](#) of greenhouse gas emissions linked to the food system (mainly caused by deforestation for commercial agriculture). We cannot limit global warming to 1.5°C nor prevent irreversible biodiversity loss without [transforming the global food system](#).

While a short-term response is needed to stabilise global food supplies and prices, we need longer-term reforms to address food insecurity and build local economies that are better able to withstand future shocks. Otherwise, we will face the same annual situations of crop failures, broken supply chains, and hunger, with the same calls for increased humanitarian funding and emergency food aid year in, year out.

The [Glasgow Leaders' Declaration on Forests and Land Use](#) brought food system reform and protection of nature to the front and centre of climate action at COP26, with the aim of supporting local, diverse, resilient food systems that can provide nutritious food in harmony with nature for local populations. Over 140 governments, covering 90% of global forests, have prioritised actions to support local communities and Indigenous Peoples to own and manage their lands sustainably, redesign agricultural policies and programmes toward sustainable food systems, eliminate environmentally harmful subsidies, and increase ODA commitments to sustainable agriculture. Countries should report on actions taken to fulfil these promises.

However, much more needs to be done. The UK, as outgoing COP26 President, needs to support ongoing ambitious action on food systems embedded in the UNFCCC processes. The UNFCCC has traditionally excluded the agricultural and land sector from formal negotiations, but it cannot continue to ignore the urgency of reform of a system that is so vulnerable to climate change and conflict. COP27 needs to integrate food systems into ongoing negotiations, so that governments will include a food systems approach in their national climate strategies, and to report on progress in future COPs.

Governments also need to [shift finance for harmful practises](#) towards financing developing countries to transition to more diverse, resilient local systems where farmers and local communities own their land and have the power to decide what to grow for themselves and can produce nutritious food in harmony with the environment.

There is increasing [evidence](#) that diverse, resilient food systems and markets at the community, national, and regional level can tackle poverty, protect nature and respond to climate change more effectively than intensified industrial agriculture. However, [these initiatives are woefully underfunded](#), and responses to the current global food crisis have been inadequate. [Leaders have reached 'solutions' that will simply compound future crises](#), based primarily on intensified production of a handful of staple crops dependent on increased fossil fuel-based fertiliser use. With their lack of diversity, these monocrops are more vulnerable to failure during extreme weather events, leaving people on the brink of starvation, as we have seen in East Africa.

What needs to happen at COP27

- Clear remit from COP to formally include agriculture and food systems as an integral part of the UNFCCC negotiations, building on the work done through the Koronivia Joint Work on Agriculture.
- Report progress on implementing the Glasgow Leaders' Declaration on Forests and Land Use, especially how investment since COP26 has shifted to support food systems that are resilient to shocks such as climate change and supply chain disruption.
- Significant funding to low-income and climate-vulnerable countries to support a transition to more resilient food systems, and clear strategies to prioritise the inclusion of smallholder farmers and indigenous people.

4. Accelerate the renewable energy transition

Accelerating the renewable energy transition will help us to avoid the worst impacts of the climate crisis whilst giving countries greater energy security, leaving them less vulnerable to external shocks. The Intergovernmental Panel on Climate Change [reported in April 2022](#) that if we are to avoid the worst impacts of the climate crisis, global emissions need to peak by 2025. However, the reality is that existing and planned fossil fuel projects [will violate the Paris Agreement goal](#) of 1.5 degree or 'well below' 2 degree warming.

Faced with this reality, COP26 was a watershed moment for commitments from countries and financial institutions to move away from funding fossil fuels, in part resulting from significant diplomatic capital expended by the UK as COP26 President. Over 40 countries committed to no new investment in coal power generation domestically or internationally, including [23 for the first time](#). More than 30 countries and financial institutions signed a [Glasgow Statement on International Public Support for the Clean Energy Transition](#) committing to

halting all financing for fossil fuel development overseas by the end of 2022 and diverting the spending to green energy. US\$8.5 billion was pledged by the US, UK, France, Germany, and EU to help fund a Just Energy Transition in South Africa from coal to a clean energy economy over the next five years.

However, with only 3 months left till the Glasgow Statement deadline, many G20 countries [do not have publicised policies](#) in alignment with the Glasgow Statement. The UK has emerged as a leader: as of May 2022, publicly available policies affecting the entire government are Glasgow Statement-aligned. At this critical time, the UK must not backslide and violate its commitments. The crisis in Ukraine is a stark reminder of the vulnerability of the global energy supply to shocks. Renewable energy presents not only a solution to greenhouse gas emissions, but also an opportunity to give countries more control over their energy supplies and therefore energy security, all while resulting in [massive savings](#) by 2050.

However, despite some progress on a global energy transition from fossil fuels to renewable energy – and the fact that renewable energy is generally safer and [cheaper](#) – a near-sighted dependency on fossil fuels persists. We must not fall back on solutions that lock us into fossil fuel dependency, which is more expensive and environmentally damaging in the medium and long term.

What needs to happen at COP27

- The UK must reiterate its commitment to the COP26 Statement on International Public Support for the Clean Energy Transition ('Glasgow Statement') and report on actions taken. The government must stick firmly to this commitment for no support to fossil fuel development overseas and must apply the same principles to UK fossil fuel development, including fracking.
- The UK, as COP26 President, must also work with other countries to make good on their commitments under the Glasgow Statement, seeking clear plans for how this will happen and reporting on progress so far.
- The UK needs to prioritise supporting clean energy transitions in the developing world to improve energy security and reduce the control a few countries exercise over the global energy market. The UK must work with other governments and donors to step up technical and financial support for developing countries to enable a just energy transition, building on the approach of the South Africa Just Energy Transition Partnership.

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