Trócaire Opening Statement

Joint Oireachtas Committee on Climate Action

6th November

I'd like to thank the Committee, the Chair and the Secretariat for the invitation to join this examination by the Committee of the State's preparation and input to COP 25. The UNFCCC and the annual Conference of the Parties is far from perfect, but it is an absolutely essential forum. It is the forum where IPCC science is commissioned, and where global policy is debated, agreed and monitored. It is also the most inclusive global forum for dialogue where the largest emitters and the most vulnerable countries interact directly. It serves as a critical annual 'temperature check' on the state of multilateral climate cooperation. That temperature check at COP 24 was deeply concerning. Efforts from the most vulnerable countries together with a number of EU Members States to bolster ambition following the publication of the IPCC Report on 1.5 were met with silence from others, including Ireland. Ahead of COP25 I'd like to set out where we believe Ireland performs well at the UNFCCC level and where it can build on this, and finally to ask the question, on what side of the ambition debate Ireland will place itself this year, weeks ahead of the coming into force of the Paris Agreement.

Ireland is well respected within UNFCCC circles for its technical, policy and financial support to Least Developed Countries. Irish Aid representatives within the Irish delegation to the UNFCCC negotiate on behalf of the EU in relation to Least Developed Country issues. Ireland is also recognised in the UNFCCC, as it is in the OECD, for the quality of its climate finance, which, building on the work of Irish Aid, is focused on the Least Developed Countries, adaptation and gender, and is 100% grant based. In this policy approach Ireland is playing an important role, bucking a number of international trends.

According to the most recent report of the OECD, between 2013 and 2017 60% of bilateral and nearly 90% of multilateral climate finance was in the form of loans. Annual and total figures also include significant levels of self-serving instruments such as export credits, and 'blended' finance mechanisms where public money is used to 'leverage' private investment in developing countries. While private finance has an important role to play, loans and private sector investment require a return. They are therefore neither attracted to nor appropriate for many of the interventions required to support the most vulnerable communities.

A sufficient balance between public and private finance is needed to ensure adaptation and interventions targeting the most vulnerable people that are necessary but not profitable, are adequately funded. Despite a commitment in the Paris Agreement to balancing financing between mitigation and adaptation, the amount of climate finance going to adaptation activities is only 19% of total climate finance, climbing only 2% from 17% in 2013. **We believe strongly that Ireland should continue within the EU and the UNFCCC to champion a climate finance policy that is based on quality and justice, building on the headline commitment in the new International Development Policy, A Better World to 'Reach the Furthest Behind First'.**

Ireland has the potential to carve out a niche in this area which is critical to the overall political success of the Paris Agreement, and the practical delivery of its goals. Doing so will require addressing a number of gaps in Ireland's UNFCCC engagement:

1. **Increase Quantity and Predictability of Climate Finance**

The IPCC highlighted in its Special Report on 1.5°C in 2018 that pathways to deliver on limiting warming to 1.5°C require increased cooperation and support to developing countries. **Next year, discussions will begin within the UNFCCC on a new global finance goal to be adopted in 2025. Much like the ambition 'ratchet' mechanism under the UNFCCC, climate finance needs are only going to become greater.** Greater if increased mitigation ambition to deliver on 1.5°C is to be delivered, and greater because the delay in mitigation to date means that even in the best case scenario of limiting warming to 1.5°C, adaptation and Loss and Damage finance needs are set to increase. To be able to plan increased mitigation and adaptation developing countries need to know what kind of levels of funding are going to be available.

It is likely that any reasonable selection of variables to quantify Ireland's fair share of climate finance, as a rich country with high levels of emissions per person, will show that Ireland's current contributions need to increase significantly in the years to come. **Ireland needs to put a plan in place for how it is going to not only finance its own transition, but how it is going to fulfil in a predictable way its growing responsibility on the international climate finance side. In the Government's Statement at COP 25, we would like to see the Minister acknowledge this and commit to the development of a strategy to this end.**

2. **Acknowledge and engage with Loss and Damage, including Finance Needs**

Developing countries and civil society have been advocating for the inclusion of Loss and Damage as a core concept and funding need within the UNFCCC. This is necessary because global mitigation has not been taking place at the scale and pace needed, meaning that climate change impacts are already happening that are beyond the adaptive capacity of many poor countries.

In November 2013 Typhoon Haiyan devastated the Tacloban region of the Philippines. With sustained wind speeds up to 195mph (314kph) Typhoon Haiyan was the strongest tropical storm to ever make landfall and established coping mechanisms were blown away. Typhoon Haiyan forced four million people from their homes, destroyed or damaged one million homes and killed 7,354 people. The International Disaster Database quantified the damage of Typhoon Haiyan at $10bn.

The Island of Dominica was hit by Hurricane Maria in 2017. Thirty one people died, the agricultural sector was essentially eliminated and 70% of livelihoods were wiped out. Total damages and loss were estimated at $1.37bn, 226% of annual GDP. Despite insurance and humanitarian aid, 80% of the costs were borne by the State and the people.

Beyond estimated mitigation and adaptation finance needs, Loss and Damage costs alone are estimated to be around $50bn a year, reaching $300bn by 2030 as impacts increase. While a mechanism for formal dialogue and policy development on Loss and Damage within the UNFCCC exists since 2013, developed countries have refused to allow discussion on the need for a collective pool of solidarity funding within the UNFCCC for Loss and Damage. This funding need not come from existing finance streams but could be generated from innovative new global sources that have long been talked about but never delivered, such as levies on climate damaging activities like international shipping, aviation and fossil fuel extraction. Denying discussion on global Loss and Damage finance does not get rid of the problem, it simply leaves already vulnerable countries faced with the prospect of repeated enormous disaster response costs, repeatedly eroding the capacity of those States to reduce poverty and indeed pursue climate change mitigation and adaptation.

Ireland is a champion of the Least Developed Countries and Small Island States. Its silence to date on Loss and Damage, including Loss and Damage finance is therefore notable. **A critical component to a quality and coherent niche within the EU and the UNFCCC requires Ireland to engage with this issue and champion a constructive approach to generating new funding streams dedicated to providing Loss and Damage finance.**

3. **Increase Ambition and Align with 1.5°C**

There is simply no getting away from the fact that Ireland's short term domestic ambition will have to increase. Ireland's current targets and plans fall far short of being in line with a pathway to deliver on the 1.5°C limit. Next year Parties to the Paris Agreement will submit new or updated targets, and debates on increasing the EU's 2030 target are already well underway. **Ireland is currently among those Member States within the EU that are opposing proposals, supported by the Commission and eight Member States so far, to increase the EU 2030 target to 55% without delay. Opposition to an increase in EU targets saw Ireland absent at COP 24 last year from the Joint Statement from the Coalition for Greater Ambition.**

The role of the EU in sustaining and growing ambition and aligning politically with the science cannot be overstated, in particular with a number of notable, large States currently seeking to undermine both. In the context of a highly political debate at COP 24 last year on the findings of the IPCC Special Report and its implications it was disappointing that Minister Bruton did not take the opportunity in his statement to the Conference to welcome the report and its importance in informing global and national action. **We cannot underestimate the implications of Ireland's positions within the EU and the UNFCCC at this critical point, when we will either be part of the balance of forces that tips political momentum in the right direction, or part of the balance of forces holding it back. In its statement at COP 25 the Government should clearly signal that it welcomes the IPCC Special Report on 1.5°C, its role in guiding global and domestic action, and its intention to enhance short term domestic ambition and support an increased the EU's NDC.**

We urge the Committee on Climate Action to ensure that the reality of the need to increase Ireland's short term as well as long-term ambition, and align national policy ambition with the IPCC science is

reflected in all relevant forthcoming work, including in a review of the draft National Energy and Climate Plan to be submitted to the EU, the forthcoming Long Term 2050 Strategy that must be submitted to the EU, and its discussion on the Terms of Reference for the Energy Security Policy review, all of which are pertinent items for the coming weeks.

Thank you.