The Rt. Honourable Rishi Sunak, Prime Minister
Office of the Prime Minister
10 Downing Street
London SW1A 2AA



31st October 2023

Dear Prime Minister,

In July, UK civil society organisations working across environment, international development, humanitarian response, inclusion and rights issues, <u>wrote to urge you to keep your promise to provide £11.6bn in international climate finance over five years from 2021</u>, following which we received assurances from your government that the commitment will be met.

However, last week we learned the government has changed what 'counts' towards the £11.6bn international climate finance, instead of actually directing the finance needed to this urgent priority.

Far from living up to the UK's historical responsibilities for the climate crisis and keeping the UK's promises to countries on the frontline - promises repeated by you from the podium at COP27 less than a year ago - this is just an exercise in creative accounting and sets a worrying precedent for further weakening of UK international climate finance.

Countries and communities that have been made vulnerable to climate change deserve better from the UK, and the UK public need to trust in the government to fairly deliver its promises.

The UK held a good reputation on climate finance and played an important role in influencing other countries to raise standards on climate finance. This move fractures the UK's reputation as a trusted partner to lower income countries and risks a global race-to-the-bottom on climate finance, with devastating consequences for efforts to limit global temperature rise to 1.5°C and enable communities to adapt to climate change.

With the costs of climate change escalating around the world - and falling disproportionately on those least responsible for causing the climate crisis - just relabelling finance isn't an acceptable answer by the UK to the existential and costly realities of climate change. Putting off action just makes it more costly in the future as impacts escalate, whereas early action substantially brings down the costs and reduces losses and damages.

Instead of accounting sleights of hand, the UK should be scaling up finance for vital climate action and generating new finance through polluter pays measures. Recent analysis by Oxfam estimates that the UK could have raised more than the £11.6bn five-year international climate finance commitment in the last year alone from four measures: a permanent excess profits tax on fossil fuel producers; redirecting fossil fuel producer subsidies; a Frequent Flyer Levy; and taxing high-emitting luxury travel. In addition, a system that fairly taxes extreme wealth could have contributed up to a further £10.48bn last year. Altogether in 2022, the UK may have missed out on generating £23.1bn for climate action by not making polluters and the wealthiest in our society pay. The evidence is clear, there are significant funding options available to the government for climate action that do not unfairly cost UK households.

With COP28 just one month away and the UK's credibility on the global stage hugely diminished, we urge the government not to turn its back on communities on the frontline of climate change and not drive down international standards on climate finance, but instead to fairly fulfil the promises you made on climate finance in a comparable way to previous UK climate finance, and to rebuild the UK's reputation and influence on this vital issue of climate leadership.

Yours sincerely,

Catherine Pettengell
Executive Director, Climate Action Network UK (CAN-UK)

Sent on behalf of the following 74 civil society organisations from across the UK:



























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