

## Policy pointers

### Development

programmes should incorporate climate justice concepts to recognise people's needs and rights in climate vulnerable countries, to distribute finance from industrialised countries to those facing escalating costs of adaptation, and to ensure inclusive participation in climate response decision making in all countries.

### The international climate

change negotiations' political culture could be made more supportive of climate justice by developing alternative and just ways to transfer finance, and by including the public in deliberations. A UN High Level Panel is calling for closer integration between climate and development issues.

### Securing sustained

contributions from the private sector into Climate Justice programming could help achieve the political culture shifts necessary to adequately address climate change, and would help Scotland's contribution 'punch above its weight'.

# Climate justice and international development: policy and programming

Climate justice puts human rights at the centre of global development. It recognises the needs of the climate-vulnerable poor, demands equitable distribution of climate finance, and promotes vulnerable groups' participation in decision making on climate mitigation and adaptation. The concept is gaining ground in the emerging international sustainable development agenda. But it will only shape policy and programming if a solid operational, as well as conceptual, basis can be established. Scotland is uniquely placed to pursue climate justice and to 'punch above its weight'. The government's Climate Justice Fund could demonstrate how pooling public and private sector contributions can support climate resilience in developing countries. Doing so will send a powerful message into the climate negotiations and the post-2015 development agenda.

Climate change is threatening basic human rights for poor and vulnerable people. It challenges their access to water, food and energy, and exacerbates disaster risks. Economic development gains will not be sustainable unless adequate resources are channelled into effectively mitigating greenhouse gas emissions and adapting to climate change.

## The basis of climate justice

Climate justice recognises the development paradox that those who contributed least to greenhouse gas emissions will be most affected by climate change.

Governments need a sound and workable theory of climate justice that draws on the political theory of justice, on antecedents in environmental and social justice, and on how climate justice links to ideas of developmental justice.

Environmental justice has three components: equitably distributed environmental risk; recognition for people's diverse needs and

experiences; and participation in the political processes that create and manage environmental policy.<sup>1</sup>

Social justice is the socially just distribution of goods within a society, drawing on the principles of liberty and equality.<sup>2</sup> Some philosophers have tried to identify what perfect social justice would look like in institutional terms (sometimes called the transcendental institutional approach). Others take a more pragmatic comparative approach, primarily interested in removing manifest injustice from the world.<sup>3</sup>

Certainly, even if perfect institutions for delivering climate justice are impractical, mechanisms to address climate injustice can be designed, tested and built into a more just institutional framework.

Indeed, ideas of development justice often take a 'capabilities' approach<sup>4</sup> that goes beyond whether individuals or communities can meet basic needs. Development justice emphasises the rights to exercise key activities, such as political activity

## Governments need a workable theory of climate justice

and a healthy life, and focuses on what individuals value. It sees poverty as depriving people of a set of core capabilities, and focuses not on designing new institutions and rules, but on how and to what extent justice is actually achieved.

Drawing on these antecedents, climate justice recognises the rights and needs of the climate vulnerable poor, demanding that the resources for tackling climate change (climate finance) are equitably distributed, and promoting participation in decision making by vulnerable groups, including by women and youth. In this way, climate justice puts a human-rights based approach at the centre of international development efforts. Figure 1 summarises the current thinking on the components of climate justice.

### How 'justice' is used in climate change negotiations

Within the UN Framework Convention on Climate Change (UNFCCC) negotiations, debate on equity and climate justice focuses on responsibility for reducing climate change damage.

Equity concepts are used conventionally, as criteria in deciding the share and manner of reducing greenhouse gas emissions. The notions of justice and injustice are used to argue against the unjust burden of climate change impacts and costs.

Put simply, total emissions from 100 poor and vulnerable countries account for less than five per cent of global emissions, leaving the other 68 countries in the negotiations responsible for the remaining 95 per cent.

The negotiations have also highlighted temporal aspects of climate justice, i.e. the need to take

timely action to reduce the unjust cost of climate change to future generations.

### Climate justice in the international development arena

The build up to 2015 is significant both for climate change policies and international development. By 2015 the design of a new climate change treaty building upon the Kyoto Protocol should be ready. The Millennium Development Goals (MDGs) process concludes in 2015, along with the multilateral discussion on what will follow them. If climate justice can be brought centre stage in these negotiations it could catalyse more integrated development and climate policy.

A UN High Level Panel reported in June 2013 on the post-2015 development agenda. It said climate change "will determine whether or not we can deliver on our ambitions".<sup>5</sup> This assessment is based upon collated scientific evidence of climate change effects. That evidence includes losses from drought, floods and storms, the implications of unsustainable production and consumption patterns, deforestation rates, actual and projected water scarcity, food wastage, and unremittingly high carbon emissions.

The panel advocates "halt(ing) the alarming pace of climate change and environmental degradation, which pose unprecedented threats to humanity." But until now climate change and sustainable development have been considered separately. They have separate financing streams and processes for tracking progress and holding people accountable. This creates overlap and confusion. The panel says that "it is time to streamline the agenda."

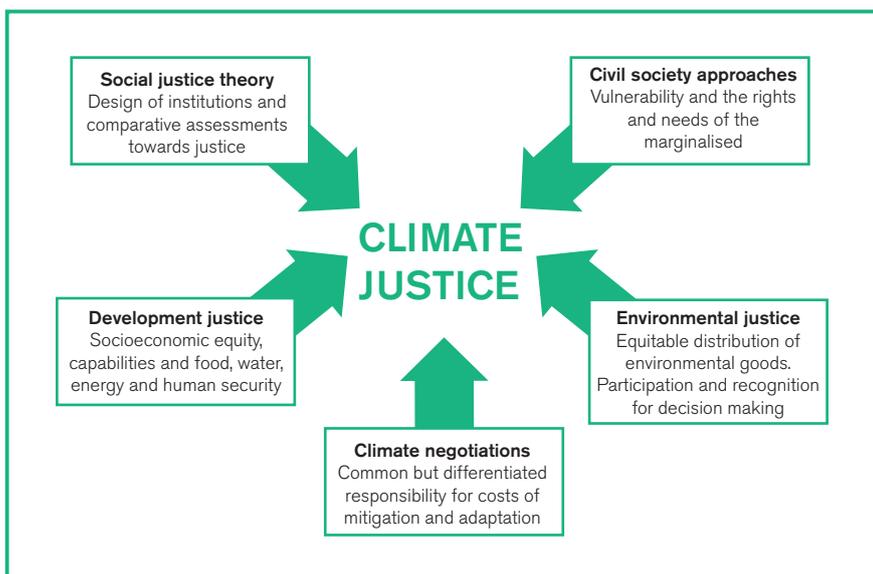
### Integrating international development and climate justice

Back in 2006 the UN special envoy for climate change, the ex-president of Chile, Ricardo Lagos stated "[climate] adaptation builds from a development base, but a paradigm shift is required to firstly get sufficient funds in place and second enable the poorest to benefit most from deployment."

But the need for transformational change goes beyond getting sufficient funding, or ensuring that the poorest benefit most. We must recognise the scale of adaptation challenges and implement mechanisms that enable local adaptation by the climate vulnerable poor. These mechanisms must distribute adaptation costs and benefits more equitably. The High Level Panel stated that climate finance must be public, obligatory, predictable, grant-based and free from conditionality.

Meanwhile, negotiations are also progressing on designing and establishing the Green Climate

Figure 1. The basis of climate justice



**Table 1. A climate justice and international development programming grid**

Climate justice components	Scale	Local	National	Global
<b>Distribution</b>		Climate finance is channelled from the Scottish Government and private sector sources to investments in climate adaptation at local levels, supporting groups, enterprises and institutions in developing countries.	Finance is made available to national climate adaptation schemes that have used 'grassroot' consultation to establish priorities. Investments would be aligned with national policy frameworks e.g. NAPA and NAPs <sup>8</sup>	Finance from the fund could be channelled to the GCF (once constituted) as Scottish contributions.
<b>Participation</b>		Local communities in Scotland can be consulted on the fund's design and operations. Local communities in recipient countries can be involved in prioritising adaptation needs and in designing adaptation actions.	The fund can link stakeholders involved in developing and implementing national adaptation plans in the targeted countries with their counterparts in Scotland.	Establishing the fund gives Scotland the credibility to become a leading protagonist and advocate of climate justice in the global arena where climate and development are discussed and negotiated.
<b>Recognition</b>		The fund recognises explicitly that climate change imposes unjust levels of effects on already marginalised people. It also recognises the needs that such people have for resources to address adaptation needs and their rights to determine how these needs are addressed.	The fund recognises the need to support adaptation in countries with historically low greenhouse gas emissions but high levels of climate vulnerability. It also recognises that Scotland's relative capability to generate and deliver financial resources is greater than that of recipient countries.	If the fund is well designed, effectively implemented and its impact well documented it will be recognised as a pioneering precedent. Scotland's contribution should then be recognised as 'punching above its weight'.

**Table 2. Potential routes and mechanisms for private sector contributions to a climate justice fund**

Route	Mechanisms	Comments on implementation
<b>Upfront contributions into pooled fund:</b> public sector funding is provided to match private sector contributions, or vice versa.	Scottish Government matches private sector contributions 1:1 (possible to have private sector matching at a different ratio e.g. 1:2, 1:0.5)	<ul style="list-style-type: none"> <li>Basic model and simplest to explain.</li> <li>Public sector sets the bar.</li> <li>Relies on, and is limited by, private sector willingness to contribute.</li> <li>Little incentive for repeat contributions.</li> </ul>
Scottish Government identifies a portfolio of initiatives that merit support and calls for private sector <b>contributions to help support the portfolio, or components</b> of the portfolio.	The private sector bids support for a portfolio of initiatives identified by the Scottish Government.	<ul style="list-style-type: none"> <li>Simple model and easy to explain.</li> <li>Private sector responds from CSR-type motives.</li> <li>Relies on private sector willingness to contribute and is limited by this.</li> <li>Incentive for repeat contributions, although fatigue possible.</li> <li>Higher transaction cost for Scottish Government but management could be outsourced.</li> <li>The work of setting out individual initiatives' merits falls on the proposers.</li> <li>Results-based payments can be introduced.</li> </ul>
Scottish Government identifies a portfolio of initiatives to support in a first round and then calls for private sector <b>contributions to support those initiatives that prove effective</b> in second and subsequent rounds.	Scottish Government gives first-round support to a selection of initiatives and the private sector then bid to provide second round support to those proven to be effective.	<ul style="list-style-type: none"> <li>An innovative model that could engage forward-looking entrepreneurs.</li> <li>Results-based payments dependent upon demonstration of impact by proposers.</li> <li>Possible snowballing effect as Scottish Government maintains total budget for grants to first round initiatives, second and subsequent round support comes from private sector and the scheme grows iteratively expanding to take up private sector willingness to buy in.</li> <li>Private sector responds from CSR-type motives.</li> <li>Private sector has greater guarantees of social returns on investments.</li> <li>Relies on private sector willingness to contribute and is limited by this.</li> <li>Incentive for repeat contributions.</li> <li>Higher transaction cost for Scottish Government but management could be outsourced.</li> <li>Work of setting out the merits of the individual initiatives falls upon the proposers.</li> </ul>

Fund (GCF) under the UNFCCC.<sup>6</sup> At the second GCF meeting in October 2012, the GCF Board began developing a 'Business Model Framework' that will ensure the GCF is 'fit for purpose'. The agreed criteria for framing the business model are that it should be: equitable, transparent, accountable, efficient, country-driven, scalable and flexible, and have simplified/improved

access, as well as effective stakeholder engagement.

Possible guidelines for ensuring these criteria become part of the GCF's design and implementation have been put forward:<sup>7</sup>

- The requirement to be both equitable and efficient/effective should apply to every aspect

of the framework. Whenever one is taken into consideration, so should the other.

- The GCF's decision-making process must uphold transparency, accountability and effective stakeholder engagement/involvement.
- Being scalable and flexible should apply generally to both requests for finance and its supply.
- The fund design should take account of developing countries' requirements to determine their own needs for finance, and to have simplified and easy access to funds.

## Scotland is ahead of the game

Scotland has pre-empted the UN High Level Panel's call for a streamlined approach to sustainable development and climate change, and is already integrating climate justice into its international development policy.

Scotland's First Minister Alex Salmond has stated "Climate Justice is what is required: linking human rights and development, putting people at the heart of our economic system." He went on to say "Those who have benefited and still benefit from emissions in the form of ongoing economic development and increased wealth, mainly in the industrialised countries of the west, have an ethical obligation to share benefits with those who are today suffering from the effects of these emissions, mainly vulnerable people in developing countries. People in developing countries must have access to opportunities to adapt to the impacts of climate change, and not be told to 'do as I say, not as I did' by the rich and powerful developed countries."

The Scottish Government's Climate Justice Fund demonstrates Scotland's role in championing climate justice and supporting appropriate climate adaptation solutions. The Climate Justice Fund aims mainly to facilitate climate resilience measures in vulnerable countries.

## Climate justice in practice

Making climate justice effective hinges on recognising injustice, distributing resources and ensuring participation in decision making. These

components operate at scales from local to international. Research by IIED has identified how they could be designed into the Scottish Climate Justice Fund in a way that also heeds the guidelines for climate finance provision agreed under the UNFCCC (and employed in the design of the GCF). Table 1 presents a climate justice and international development programming grid.

## Leveraging private sector contributions

Zaheer Fakir, the South African co-chair of the GCF board, sees a mix of private and public funding as the model for future climate finance. At a recent GCF board meeting he said "... the decisions that we have taken will help ensure that both governments and the private sector are playing a role in combating climate change."

There is potential private sector interest in contributing to the Scottish Climate Justice Fund (in terms of in-kind activities, skills and knowledge exchange, and funding), but it needs proper assessment. Bringing in Scottish private sector contributions would set a precedent for other funds.

Table 2 sets out different ways to leverage private sector contributions to a climate justice fund, based on the following points:

- The Scottish Climate Justice Fund is of modest scale and at an early stage of channelling developed country finance to developing countries' adaptation and resilience initiatives. It can credibly be seen as an exploratory mechanism through which to identify options and provide 'proof of concept' findings — and thereby leverage influence.
- There are early signs of Scottish private sector willingness to contribute — 'first place' opportunities are available to be exploited and precedents can be set.
- Private sector involvement can be implemented irrespective of Scottish independence status.

## Simon Anderson

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## Knowledge Products

The International Institute for Environment and Development (IIED) is an independent, nonprofit research institute working in the field of sustainable development. IIED provides expertise and leadership in researching and achieving sustainable development at local, national, regional and global levels.

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## Notes

<sup>1</sup> Schlosberg, D. 2007. *Defining Environmental Justice*. OUP, Oxford. / <sup>2</sup> See for example: Rawls, J. (ed. Kelly, E.) 2001. *Justice As Fairness: a restatement*. Harvard University Press, Cambridge. / <sup>3</sup> See pages 6–7 of: Sen, A. 2009. *The Idea of Justice*. Penguin Books, Allen Lane. / <sup>4</sup> See: Sen, A. 1999. *Development As Freedom*. Knopf, New York; and Alkire, S. 2001. *Valuing Freedoms: Sen's capability approach and poverty reduction*. Oxford University Press, Oxford and New York. / <sup>5</sup> www.post2015hlp.org/featured/high-level-panel-releases-recommendations-for-worlds-next-development-agenda / <sup>6</sup> John Vidal's piece in the Guardian gives a flavour of the state of GCF negotiations. www.guardian.co.uk/environment/2013/jul/03/climate-aid-climate-change-fund / <sup>7</sup> Drawn from Mueller, B. 2013. *A Delhi Vision for the Green Climate Fund Business Model Framework — Some Thoughts on Access and Disbursement*. www.oxfordenergy.org/2013/02/a-delhi-vision-for-the-green-climate-fund-business-model-framework-some-thoughts-on-access-and-disbursement / <sup>8</sup> National adaptation programmes of action (NAPAs) were carried out by 48 Least Developed Countries to identify urgent and immediate climate adaptation priorities. National adaptation plans (NAPs) are second generation climate adaptation planning processes that are being carried out by different countries.