

Note: Climate Transparency invites Media to join our *Brown to Green Report* launch webinar at 16.00 hrs CET 14 November – details below.

Embargo 06.00 hrs CET 14 November 2018.

G20 countries spend more money driving climate change than what they get from reducing it: report

Only two G20 economies – Canada and France – generate more income from carbon pricing schemes than they spend on fossil fuel subsidies, demonstrating that the G20 countries are yet to make financial flows consistent with the Paris Agreement, according to the *Brown to Green Report* released today.

In 2017, Canada's income from carbon pricing (2) was nearly twice what it spent on fossil fuel subsidies in 2016. The only other country that earned more from addressing pollution than what it spent on subsidising it was France. In all other G20 countries, fossil fuel subsidies in 2016 still far outweighed any revenue from carbon pricing. As of 2017, five G20 economies – Australia, India, Indonesia, Russia and Saudi Arabia – have no carbon pricing at all, and no plans to implement it.

“As global temperature rises, so will the risks to economies from climate disruption, and the need for adaptation and mitigation finance. It's in the G20's own economic interests to shift from brown to green energy, but we're still seeing major investment into the fossil fuel industry, along with huge subsidies”, said co-author Charlene Watson from the Overseas Development Institute (ODI), one of Climate Transparency's partner organisations.

“For years, the G20 has promised to phase out fossil fuel subsidies. At their summit in Argentina later this month, they would do well to live up to this promise and discuss how to finance the transition to a low carbon economy”, said co-author Enrique Maurtua Konstantinidis from Fundación Ambiente y Recursos Naturales (FARN), Climate Transparency's Argentinian partner.

The *Brown to Green Report* is the world's most comprehensive annual review of G20 climate action, and this is its fourth edition. It has been compiled by Climate Transparency, a global partnership of 14 climate research organisations and NGOs from the majority of G20 countries, many from emerging economies. The report draws on the latest emissions data from 2017 and covers 80 indicators on decarbonisation, climate policies, finance and vulnerability to the impacts of climate change. Providing country ratings, it identifies leaders and laggards in the G20 (1).

“Business need to lead in the transition to a low-carbon economy. The *Brown to Green Report* sends a strong signal to the G20 that financial markets and economic development are dependent on ambitious climate action”, stressed Paul Polman, CEO of Unilever, in support of the report.

Other key findings on financing the G20 transition from brown to green:

- Australia, Brazil, Italy, Saudi Arabia and South Africa had the highest fossil fuel subsidies as a proportion of GDP in 2016.
- Brown public financing also significantly outstrips green public financing across the G20. In 2013 to 2015, all G20 countries spent an average of US \$91 billion a year on fossil fuel projects.

- Argentina, China, Italy and South Africa are developing financial system roadmaps for green investment. Increasing numbers of G20 countries aim to expand green finance, but few have plans for systematically phasing out or redirecting brown financing.
- In 2015, the G20's Financial Stability Board established the Task Force on Climate-related Financial Disclosures (TCFD). Only one country – France – has encoded these TCFD principles into law, while the EU and Japan have published guidance and action plans. A number of countries have engaged with the private sector on developing climate-related financial disclosure policies.
- G20 international public finance to fund adaptation and mitigation in developing countries is increasing. In 2015-16, the eight G20 countries obliged to provide finance under the UNFCCC reported US\$ 19.6 billion in concessional bilateral climate-related finance, up from the previous year. The largest donors are Japan, France, Germany, the European Union and the United Kingdom. The US has not yet reported to the UNFCCC on these flows.

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Download the report and the country factsheets [here](#) under embargo and from 14 November [here](#) on the Climate Transparency website.

Register [here](#) for the online launch of the *Brown to Green Report*.

(1) The *Brown to Green Report* is the world's most comprehensive annual review of G20 climate action –and its transition to a low-carbon economy. The report is an independent, in-depth assessment that draws on a range of the latest analysis and qualitative data from leading global experts in the field. It is largely based on the latest (2017) data on decarbonisation and emissions. This year it has added sections and breakdowns of climate vulnerability and looks at Just Transition.

The review is based on 80 indicators around emissions, decarbonisation, policy and finance, and presents clear summaries and sectoral comparisons at an overall G20 level, as well as drilling down to a concise, graphic national factsheet for each member state.

(2) Ontario and Saskatchewan are [both mounting legal challenges](#), and Alberta will possibly follow.

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STATEMENTS IN SUPPORT OF THE BROWN TO GREEN REPORT 2018

<p><u>CONNIE HEDEGAARD,</u> Former European Commissioner for Climate Action (2010-2014)</p>	<p>"The Brown to Green Report provides transparency about climate actions: Where are the gaps? Where are we running behind? And where does words and actions not fit? This mapping is a crucial tool for those who want more action."</p>
<p><u>CHRISTIANA FIGUERES,</u> Former Executive Secretary, UNFCCC (2010-2015) and Convenor, Mission 2020</p>	<p>"Global emissions need to peak in 2020. The Brown to Green report provides us with an independent stocktake, where we stand now. This is valuable information for countries, when they declare their contributions in 2020."</p>
<p><u>MICHAŁ KURTYKA,</u> COP24 President</p>	<p>"Global climate action needs to be enhanced to safeguard the temperature goal of the Paris Agreement. The Brown to Green report contributes to our knowledge on how to make a transition to climate-resilient low emission development. It shows where we stand, it is a learning platform and demonstrates good practices in G20 countries."</p>
<p><u>PAUL POLMAN,</u> Co-Chair of The Global Commission on The Economy and Climate, CEO of Unilever</p>	<p>"Business needs to lead in the transition to a low-carbon economy. The Brown to Green Report sends a strong signal to the G20 that financial markets and economic development are dependent on ambitious climate action."</p>

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