Principles for Fair Climate Finance

Equity: Funding should take into account historic inequalities and ensure redress and equity. Internationally, the Global North owes the Global South a climate reparation for years of extraction. This should include cancelling debt. Locally, policies must be in place to ensure wealth distribution through taxing the rich, polluters and those benefiting from the fossil fuel industry. The transition must be just, and must transform this unequal system, through anti-capitalism, anti- poverty and anti- austerity. National contributions to the causes of the climate crisis differ across the globe and due to this, countries also have differing capacity to adapt to and mitigate climate impacts. Climate financing must address these inequalities and create solidarity between North and South through provision of unconditional financing to the Global South and those regions with poor capacity to adapt to changing climate. Finance is not neutral and can play a role in enabling new forms of support that can advance justice elements.

Transparency: Public participation in climate finance needs free and prior public access to information. Transparency should be achieved prior to any consultation or decision making, and be coupled with measures to ensure wide-reaching public education on relevant topics. Climate finance must be transparent, details about terms, conditions, types, impacts and implementation must be openly accessible to the public.

Inclusion: Diverse stakeholders, especially those directly impacted by any proposed action must give their free prior and informed consent. Those directly affected must be represented in decision making meetings and meaningfully participate in decision making. After consent has been given, stakeholders must continue to be involved. Throughout the implementation process, stakeholder engagement must continue to ensure fair and participatory financing. Consistent engagement with diverse stakeholders allows for regular assessment of appropriateness of the financing.

Accountability and Governance: Channels, structures, roles and mechanisms must be clear. Decision makers and decision making processes should be clear and understood by all stakeholders. Grievances with the financing process, implementation and distribution should be able to be raised directly with the responsible entity. All financing should include stringent anti-corruption measures.

Human Rights centred: A human rights based approach to climate finance is important in affirming and advancing universal, inalienable and accessible rights. Finance processes and projects financed must not compromise human rights or environmental and social well being.

Gender Responsiveness: Financing processes must be acutely aware of and aim to prevent practices that exclude women, particularly in land ownership, economic participation, decision making or employment. Financing must not perpetuate existing inequalities and must empower communities through the empowerment of women.

Holistic Climate Justice: Climate finance must meet the needs of climate crisis related mitigation, adaptation and loss and damage. Climate finance must ensure social protection and justice such as housing, security, water, food and dignified employment for all.

African led local solutions: In a post colonial, extractive, and exploitative global financial system, building and strengthening African centred solutions to climate change must be prioritised for climate finance targets. Understanding that the impact of development aid and multilateral loans across the continent have undermined local and grassroots solutions and human rights, climate finance must be an opportunity to empower local solutions by local actors.