PRESS RELEASE



EMBARGO: Oct. 28th 2020; 04:00 EST, 8:00 GMT, 19:00 AEDT

Mayors Call For Green Recovery that will Create Jobs and Save Lives; Urge National Governments to End Fossil Fuel Subsidies

New research shows that investing COVID stimulus funds in green solutions would create 50 million jobs, prevent 270,000 premature deaths, and deliver \$280bn in economic benefits globally

Just 3 - 5% of COVID stimulus funding is currently directed to sustainable recovery

C40 Global Mayors COVID-19 Recovery Task Force warns that, by ignoring these opportunities, "national governments and global institutions are likely leading us towards catastrophic climate change"

London, UK (28 October 2020) — Investing COVID stimulus funds in green solutions would deliver a much faster economic recovery, according to new research released today by a group of leading mayors.

The <u>C40 Global Mayors COVID-19 Recovery Task Force</u> is 'deeply concerned' that only 3% - 5% of an estimated US\$12 - \$15 trillion in international COVID stimulus is currently committed to green initiatives. By propping up old and polluting economies, the mayors warn in a statement released today that a 'dirty recovery' will accelerate the climate emergency, endanger public health, cost lives, and sacrifice jobs.

"By ignoring the opportunity to make rapid green stimulus investments, most national governments and global institutions are likely leading us to catastrophic climate change", the statement says.

By contrast, a green and just recovery based on the principles of a Global Green New Deal would direct COVID stimulus and recovery funds towards investments in mass transit, walking and cycling infrastructure, and clean energy. This approach would deliver transformative economic and health benefits across the world's 100 leading cities and their supply chains, putting the planet on track to keep global heating under the 1.5°C line that science tells us is necessary to prevent further devastating climate impacts.

The report makes clear that a green and just recovery would:

- Create over 50 million good, sustainable jobs by 2025, across the nearly 100 cities in the C40 network and their supply chains. Over a third more than investing funds in a 'high-carbon recovery'.
- Save lives by reducing air pollution by almost 30% in cities around the world. Such improvements could prevent 270,000 premature deaths over the next

decade in C40's nearly 100 member cities and - as shown in <u>existing research</u> - make further coronavirus pandemics less likely by reducing habitat destruction.

- Lead to over \$1.4 billion savings in health costs for avoided hospital admissions on respiratory and cardiovascular diseases associated with poor air quality, and deliver wider economic benefits of over \$280 billion over the next 10 years from premature deaths averted. This is particularly valuable at a time when health care systems and public sector budgets are facing unprecedented pressure.
- More than halve greenhouse gas emissions by 2030, getting on track to keep global heating below 1.5 degrees, unlike a return to business as usual in which GHG emissions would continue to rise.

By modelling the impacts of faster stimulus spending- enabling action over the next five years compared to over the next 15 years-the case for swift investment is clear. An 'accelerated green recovery' over the next five years provides the best chance to prevent climate breakdown, and would deliver far more green jobs and health benefits in the longer term.

"The most significant test of any government's commitment to climate action right now is where it is directing COVID stimulus funding for recovery," the mayors of the C40 Global Mayors COVID-19 Recovery Task Force say in their statement.

The Task Force repeated their call to national and regional governments, central banks and international financial institutions to join them in delivering a green and just recovery from COVID-19. Their demands also include an end to public fossil fuel investments and subsidies; commitments to an equitable and inclusive recovery; protecting mass transit; and investing in clean energy and in resilient cities as the engines of the recovery.

C40 mayors also called on all those who share their vision for a green and just recovery to join their Global Green New Deal coalition of mayors, business leaders, trade unions, investors, youth activists, civil society and global citizens to create the future we want.

The statement was developed by the C40 Global Mayors Covid-19 Recovery Task Force and signed by Mayor of **Los Angeles** and C40 Chair, Eric Garcetti; Chair of the Task Force Mayor of **Milan**, Italy, Giuseppe Sala; Mayor of **Freetown**, Sierra Leone, Yvonne Aki Sawyerr; Secretary for the Environment of **Hong Kong**, China, KS Wong; Mayor of **Lisbon**, Portugal, Fernando Medina; Mayor of **Rotterdam**, Netherlands, Ahmed Aboutaleb; Mayor of **Medellín**, Colombia, Daniel Quintero Calle; Mayor of **Montréal**, Canada, Valérie Plante; Mayor of **New Orleans**, USA, LaToya Cantrell; Mayor of **Seattle**, USA, Jenny Durkan; and Acting Mayor of **Seoul**, Republic of Korea, Seo Jung-hyup

- ENDS -

QUOTES FROM MAYORS:

Eric Garcetti, Mayor of Los Angeles, USA, and Chair of C40 said:

"COVID-19 has laid bare the deep inequities found in the heart of our economies, societies, and laws, and mayors understand that returning to normal simply will not suffice -- we need to build healthier, more resilient, and more inclusive cities across the globe. This report reveals what we have known from the outset of the pandemic: that only a green and just recovery can help lift us out of this crisis, protect our planet, and lay the foundation for a more sustainable, equitable, and prosperous future."

Giuseppe Sala, Mayor of Milan, Italy, and Chair of the Global Mayors COVID-19 Recovery Task Force said:

"While we must continue to focus on preventing the further spreading of the virus and on responding to the immediate needs of our affected communities, we are also called to provide a long-term vision and to prepare for it as well as possible.

Our cities are in dire need of a direction towards a better future and the outcomes of the Mayoral Task Force work and its underlying research provide fellow mayors with a formidable set of tools to navigate the crisis and strengthen their inclusive climate action.

I believe the results of the research on the benefits of a green stimulus – and the frightening costs of a lack of green stimulus – are compelling and influential.

They demonstrate why a recovery that is green and just is the only possible recovery and what are the benefits of sustainable and equitable investments for our citizens.

I am sure this will have a powerful domino effect in pursuing a green and just recovery throughout our continents."

WONG Kam-sing, Secretary for the Environment, Hong Kong, China said:

"Hong Kong, China has adopted a comprehensive and co-ordinated approach to contain the spread of COVID-19, and has used part of its USD40 billion anti-epidemic fund to launch a Green Employment Scheme which will create more than 500 time-limited green jobs, thereby stimulating economic recovery and bringing substantial benefits to the environment. Another Graduates Subsidy Programme has also been launched to subsidise private companies and organisations that are willing to employ fresh local graduates who are interested in environment-related fields to enter the industry. The scheme covers a wide range of environmental protection areas, including environmental education, environmental technology equipment and testing, renewable energy, new energy vehicles and air quality, green construction and management, ecological conservation and green finance. We raised the quota to more than 500 in view of the overwhelming response from both employers and fresh graduates."

Daniel Quintero, Mayor of Medellin, Colombia said:

"As mayors and representatives of many of the premier cities of the world, we know that only by joining forces will we achieve the ambitious objectives in regard to climate change. Therefore, we call on national governments, businesses, academy, and world leaders to advance on the agenda for a fair and green recovery. There is no sense in going back, the planet needs a vision forward now".

Mayor Valérie Plante, Mayor of Montréal, Canada said:

"The current situation forces us to be innovative and thus to seize the opportunity for a new economic paradigm that supports our economy, our local businesses and the wellbeing of our citizens. A green and inclusive recovery plan should respond to the socioeconomic inequities and environmental issues common to big cities. In that sense, it is imperative that governments and cities act as partners to ensure a successful ecological transition in support of a prosperous economy."

Notes:

The members of the Global Mayors COVID-19 Recovery Task Force are:

Chair of the Task Force Mayor of Milan, Italy, Giuseppe Sala; Mayor of Freetown, Sierra Leone, Yvonne Aki Sawyerr; Secretary for the Environment of Hong Kong, China, KS Wong; Mayor of Lisbon, Portugal, Fernando Medina; Mayor of Rotterdam, Netherlands, Ahmed Aboutaleb; Mayor of Medellín, Colombia, Daniel Quintero Calle; Lord Mayor of Melbourne, Australia, Sally Capp; Mayor of Montréal, Canada, Valérie Plante; Mayor of New Orleans, USA, LaToya Cantrell; Mayor of Seattle, USA, Jenny Durkan; Mayor of Seoul, South Korea, Park Won-soon, was a member of the Task Force until his death. Acting Mayor Seo Jung-hyup replaced Mayor Park on behalf of the City of Seoul. C40's Task Force was established in April 2020 by C40's Chair and Steering Committee.

Technical Notes:

- 1. Analysis was based on six city examples that illustrate what a Green and Just Recovery could look like in different types of city, across different regions. A Green and Just Recovery (green recovery) scenario is a modelled scenario in which COVID-recovery stimulus funding supports investment in climate action that prioritises rapid creation of employment and ensures that C40 cities are on track to limiting warming to 1.5°C. This is compared to a pre-COVID business as usual baseline, such a baseline is currently inaccurate as stimulus funding will support either a green or 'high-carbon' recovery that alters business as usual. However in the absence of data to create a revised business as usual scenario, GHG emissions and air quality impacts were compared against this. Results were then scaled-up across all C40 Cities to provide a high-level illustration of the potential benefits from a green recovery.
- 2. GHG emissions reductions under a business as usual and green recovery scenario were created using the existing C40 *Pathways Tool* that contains a range of climate actions and associated GHG emissions reductions.
- 3. Job creation was modelled based on the investment required to implement the climate actions from the Pathways tool. For job creation the green recovery scenario was compared to a 'high-carbon recovery' scenario in order to evaluate job creation across the same level of investment. As above, in the absence of data to create a revised business as usual scenario, the high-carbon recovery scenario was created by proportionally increasing pre-COVID business as usual investment to the same level as the green recovery scenario. Job creation was calculated in 'job

years' (one full time job for one year), the 'total jobs' available has been estimated by dividing the job years from capital investments over the period of spend (see point 6), and the job years from operational investment over the period of spend (10 years for all scenarios). Results show an overall net gain in jobs under a green recovery vs a business as usual recovery, however structural changes to our economy will involve both job gains and losses across different sectors, hence the importance of a just transition and the need for re-skilling and training for workers in high-carbon industries.

- 4. Air quality and health impacts were modelled with the C40 Pathways-Air Quality Tool, which estimates changes in citywide PM2.5 concentrations based on emissions on PM2.5 precursors and a reduced form air quality model (InMAP) that simulates changes in PM2.5 concentrations associated with changing emissions.
- 5. The scale-up analysis for jobs and air quality assumes a correlation between GHG emissions reduction and job creation, and assumes that a similar relative reduction of air pollution can be observed for all cities within each region. It is important to note that given the highly variable context between cities, in practice there will be variation in GHG, jobs and air pollution impacts across cities. Therefore, these results provide an illustration of the potential benefits, not a precise estimate.
- 6. Modelling the impact of the timing of a green recovery was based on 'accelerated', 'standard' or 'slow' scenarios for capex investment (spend by end 2023, by end 2025 or by end 2028) and climate action (implementation by end 2025, 2030 or 2035). These scenarios are designed to provide a high-level illustration of the impact of timing on GHG emissions, job creation and air pollution. In particular the accelerated scenario represents a 'moon-shot' scale of ambition, assuming all capital investments are deployed swiftly, that sufficient green projects are shovel ready and there is sufficient capacity to implement them.
- 7. The percentage of stimulus funding dedicated to a green recovery was estimated by collating sources of green stimulus funding (mainly through three trackers: the Carbon Brief green stimulus tracker; the Energy Policy Tracker; and the Climate Action Tracker). The total identified green investments were then calculated as a percentage of the Bloomberg Green and Bloomberg NEF estimate of US\$12 trillion and the Reuters estimate of total stimulus spending of US\$15 trillion.

For the full results and data from the research please contact media@C40.org

About the C40 Cities Climate Leadership Group

Around the world, C40 Cities connects 97 of the world's greatest cities to take bold climate action, leading the way towards a healthier and more sustainable future. Representing 700+ million citizens and one quarter of the global economy, mayors of the C40 cities are committed to delivering on the most ambitious goals of the Paris Agreement at the local level, as well as to cleaning the air we breathe. The current chair of C40 is Mayor of Los

Angeles Eric Garcetti; and three-term Mayor of New York City Michael R. Bloomberg serves as President of the Board. C40's work is made possible by our three strategic funders: Bloomberg Philanthropies, Children's Investment Fund Foundation (CIFF), and Realdania.

To learn more about the work of C40 and our cities, please visit <u>our website</u> and <u>C40</u> <u>Knowledge Hub</u> or follow us on <u>Twitter</u>, <u>Instagram</u>, <u>Facebook</u> and <u>LinkedIn</u>.