

Mr Emmanuel Macron,
President of the French Republic
Palais de l'Élysée,
55 rue du Faubourg-Saint-Honoré
75008 Paris, France

Copy: Mr Rémy Rioux, Chief Executive Officer of the French Development Agency

Friday, 3 July 2020

Dear President Macron,

In November, the French Development Agency will host the first summit of public development banks. This summit comes at a critical point in time after the COVID-19 crisis hit our societies in an unprecedented manner. **As the world is faced with the consequences of the health crisis, public finance institutions have a critical responsibility to support a just and green recovery. The 450 institutions gathered at the summit are the world's biggest countercyclical lenders. As such, they must play their part in the collective effort to build back better.** A 'business as usual' response will not suffice. At the Finance in Common Summit, all eyes will be turned to public financial institutions to see whether they are ready to respond to the crisis in a just and meaningful way.

Lessons must be drawn from the crisis: our health, social and economic systems are not designed to protect our people and even less so in developing countries. Vulnerable communities are bearing the brunt of the impacts of COVID-19 - many who are already or are expected to also be hit hard by climate change. **This crisis requires a rethinking of the way public finance institutions operate. Social justice, community care, people's health and well-being, equity and workers' rights must become the core principles that drive their actions, coupled with urgent action on climate change.**

At the Finance in Common Summit, public finance institutions (PFIs) should deliver on all the following elements:

- **PFIs must rethink development assistance, in a way that promotes resilient societies, responds to communities' needs and protects ecosystems.** They must ensure that all their investments are consistent with building resilient societies, including by earmarking a substantive amount to funding more robust health systems; granting universal, affordable energy access, by scaling up decentralised, renewable energy solutions; and by ensuring food security.
- **PFIs must stop fueling the environmental crisis.** The past few months highlighted how closely intertwined our resilience and the protection of nature are. Yet, the fossil fuel industry keeps fueling inequalities, violating human rights and polluting ecosystems in irreversible ways. Public finance institutions are part of the problem: the G20 PFIs provide three times as

much support for coal, oil and gas than for clean energy projects for a total of at least USD 77 billion a year. Now is the time to make sure public money stops funding the crisis. **The summit should lead to the creation of a coalition of progressive public finance institutions that establishes a clear timeframe for ending direct and indirect support for coal, oil and gas.** The European Investment Bank showed leadership last year by committing to phase out almost all of its fossil fuel support from end 2021. This policy should be the minimum standard for the joint MDBs' approach to Paris Alignment and for other development banks. PFIs have a critical role to play in leading the way for other finance to follow. They should demonstrate speed and ambition in stopping funding fossil fuels and shifting finance into sustainable, renewable energy accessible by all.

- **PFIs must operationalize international debt relief commitments in a coordinated manner and support the adoption of debt cancellation mechanisms for developing countries.** By providing an increasing part of their support in the form of loans, development banks have increased the burden of debt in vulnerable countries. In 2019, 64 countries spent more money on debt service payments than on health services. Today, these countries need full capacity to protect affected communities in this health, social and climate emergency.

For this ambitious plan to be announced, public financial institutions will need political support from their governments. They need to receive the right mandate and the right budgetary support. As its main host, France will need to demonstrate its capability and leadership in the preparation of the summit.

Mr President Macron, the Finance in Common Summit is a rare opportunity to reaffirm the value of multilateralism and solidarity at the end of 2020. As a COP26 event, it must set ambition high in the run up to Glasgow in November 2021. NGOs and social justice movements around the world are voicing their concern about how much is at stake in ensuring just and green recovery. They will remain committed and mobilised so that this summit signals a shift from public finance institutions in the right direction, to support countries and communities most in need.

Yours sincerely,

350 Butte County (CA)
350 Climate Movement of Denmark
350 Montgomery County MD, USA
Abibiman Foundation
AbibiNsroma Foundation (ANF)
Academics Stand Against Poverty
Action contre la Faim
Actions Communautaires Pour Le Developpement Integral
African Coalition on Green Growth
African Conservation Foundation
Afrihealth Optonet Association
AfrihSociety for Conservation and Sustainability of Energy and Environment in Nigeria (SOCSEEN)
Alliance for Empowering Rural Communities (AERC-Ghana)
Alliance for Empowering Rural Communities (AERC)
Alliance Sud - Network of Swiss Development Organizations
Alofa Tuvalu

Ande Bunbury Architects
Asian Peoples Movement on Debt and Development (APMDD)
Asociacion ANDES
Asociacion de Comunidades del Parque de la Papa
Association Nigérienne des Scouts de l'Environnement (ANSEN)
Australian Religious Response to Climate Change
Bank Information Center
BankTrack
Berks Gas Truth
Blue Ridge Environmental Defense League
Both ENDS
Bretton Woods Project (UK)
Bucks Environmental Action
Call to Action Colorado
Canadian Interfaith Fast for the Climate
Care International
CatholicNetwork.US
CCFD-Terre Solidaire
Center for International Environmental Law (CIEL)
Centre for Citizens conserving (CECIC)
Centre for Environmental Rights
Centre For Human Rights And Civic Education (CHRCE)
Chapel Hill Organization for Clean Energy
Christian Aid
Citizens United for a Sustainable Planet
Citizens' Climate Lobby France
Clean Air Action Group (Hungary)
Climate Action Network International
Climate Alliance Switzerland
Climate Change Ireland
Climate Finance Action
Climate for Change
Climate Justice Alliance
ClimatEducate Project
CNCD-11.11.11
Coalition of Museums for Climate Justice
Comité Français pour la Solidarité Internationale
Comité Nacional de Lucha Contra el Cambio Climático, CNLCC
Conservation Action Trust
Coordination Office of the Austrian Bishop's Conference for International Development and Mission (KOO)
Coordination Sud
Daccude
Debt Observatory in Globalisations (ODG)
DeCOALonize Campaign
Dr Uzo Adirieje Foundation (DUZAFOUND)
E3G
Earth Action, Inc.
Eco-union
EKOenergy Ecolabel
Emmaus International
End Ecocide Sweden
ENERGIES 2050

EnviroNews Development Network
Environment Centre Northern Territory
Environmental Justice Foundation
European Network on Debt and Development (Eurodad)
Fair Finance International
Friends of the Earth Ireland
Friends of the Earth Japan
Friends of the Earth US
Fundación Ambiente y Recursos Naturales (FARN)
Germanwatch e.V.
Global Alliance for Incinerator Alternatives
Global Witness
Guardian of Life
IG Schönes Lünne
Impact Human
Institute for Policy Studies Climate Policy Program
International Network of Mountain Indigenous Peoples (INMIP)
Islamic Relief Worldwide
Justice Institute Guyana
Keep Ireland Fracking Free
Landvernd, Icelandic Environmental Association
Les Amis de la Terre France
Liberty Tree Foundation for the Democratic Revolution
Market Forces
Milieudefensie - Friends of the Earth Netherlands
Mississauga Climate Initiative
New Brunswick Anti-Shale Gas Alliance, Inc.
New forest friends of the earth
Northern Beaches Climate Action Network
NQBSS Livestock Breeders
Nsasani Trust
Oil Change International
Our Seas Our Future
Oxfam France
Pakistan Fisherfolk Forum
Peoples Federation for National Peace and Development (PEFENAP)
Polden-Puckham Charitable Foundation
Project SURvival Pacific Fiji
ProsperityForRI.com
Protect All Children's Environment
Rainforest Action Network
RapidShift.net
Reclaim Finance
Réseau Action Climat - France
Rural Arts North Yorkshire
Sacred earth CBS
Secours Catholique Caritas France
Serve all trust
South Lakes Action on Climate Change
Southern Africa Climate Change Coalition
SRS Livestock Development Foundation
Stamp Out Poverty

Stowarzyszenie Ekologiczne EKO-UNIA (Poland)
Sustaining the Wild Coast
The Sunrise Project
The Sustainable Scale Project
Upper Valley Affinity Group (Vermont, US)
Urgewald
WeDontHaveTime Foundation
WESSA Western Cape Membership
Women's Earth and Climate Action Network (WECAN)
YUVA
Zimbabwe Climate Change Coalition