Towards Climate Justice: Redistributing Military Spending to Climate Finance

Linking Militarism and Climate Finance

In 2023, **global military expenditure** rose for the ninth consecutive year to an **all-time high of $2443 billion**.[1] Parties of the United Nations Framework Convention on Climate Change (UNFCCC) must reverse this rampant rise in militarism to achieve global climate commitments as escalating **military spending accelerates the climate crisis** in three ways:

01 **An increase in military spending positively correlates with an increase in greenhouse gas (GHG) emissions**.[2] Global military activity is estimated to contribute at least 5.5 per cent of total global emissions.[3] This is more than twice the emissions of the civilian aviation industry and does not include emissions from active conflict. In other words: record military expenditure accelerates climate breakdown. Militaries and their supply chains are powered by fossil fuels and there is **no credible evidence that militaries can switch to renewable energy to power their operations at the urgency at which a fossil fuel phase-out is required**.

02 **Increased military spending means a more insecure world** at the detriment of diplomacy, trust and cooperation, leading to more conflicts and wars with devastating impacts for people and the planet. Ever increasing military spending has not meant more peace. To the contrary, **between 2010 and 2022, conflicts have almost doubled, from 30 in 2010 to 56 in 2022**.[4]

03 Military spending **diverts resources away from investments into climate change mitigation, adaptation, and for addressing loss and damage as well as investments into human security needs** (health, education, and social safety nets). While those historically responsible for the climate crisis have consistently increased their military spending, they are failing to fulfil their international climate finance pledges. The wealthiest countries (categorised as Annex II in the UN climate talks) are **spending 30 times more on their militaries than on providing climate finance** for the world's most vulnerable countries.[5]

Militarism in the UNFCCC negotiations

Military spending has been introduced as an alternative source of funding within the UNFCCC space. The Intergovernmental Panel on Climate Change (IPCC) Working Group III in its contribution to the Sixth Assessment Report (March 2023) explored a reallocation as "(...) moderate reductions in military spending (which may involve conflict resolution and cross-country agreements on arms limitations) could free up considerable resources for the SDG agenda, both in the countries that reduce spending and in the form of ODA (...)".[6] At COP28, the President of Brazil, Luiz Inácio Lula da Silva, emerged from a high-level meeting stating: "It is unacceptable that the promise of $100 billion a year made by the developed countries will not come to fruition while, in 2021 alone, military spending reached $2.2 trillion."[7]

Ongoing Climate Finance Negotiations

Mobilising public finance for the New Collective Quantified Goal (NCQG) and the operating entities of the UNFCCC financial mechanism

As demonstrated by ever skyrocketing military spending – public finance is available but misdirected. In negotiating for the NCQG to be adapted at COP29, many developed countries claim lack of funding. However, what is missing is their political will to prioritise climate finance obligations. Public finance can be mobilised by ending fossil fuel subsidies and reallocating military spending to climate change mitigation, adaptation, loss and damage and financing a just transition.

- One year's military spending by the top 10 countries with the highest military spending would pay for currently promised international climate finance from developed to developing countries for 15 years (at $100 billion a year).[8]
- Given the structural underfunding for adaptation, just 3 per cent of annual global military spending could provide $70 billion of funding for climate resilient development[9] – almost three times the amount that developed countries were willing to provide to developing countries for adaptation in 2021.[10]
- The Green Climate Fund's portfolio of $13.9 billion still falls short compared to the military spending outlined above.[11]
- The current pledges of over $680 million for the Loss and Damage Fund cover a fraction of the estimated yearly $400 billion needed for addressing already occurring losses and damages in developing countries.[12] **Reallocating military spending to financially support those most impacted is a matter of moral and legal obligation by developed countries and a question of exerting the political leadership to prioritise climate action over militarisation.**

Predictability of climate finance is one of the qualitative aspects discussed in regards to the NCQG. In order to enhance predictability, states ought to prioritise diplomacy and collaboration over confrontation. This approach is vital as the disruptive effects of war can jeopardise fulfilling existing climate finance commitments and undermine the necessary scale up of finance provided and mobilised. For example, certain European nations increased military expenditures at the detriment of climate finance in support of Ukraine after Russia's invasion.[13]

Making financial flows consistent with the Paris Agreement

Article 2.1.(c) of the Paris Agreement obliges states to "making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development". This involves both increasing and better climate-aligning all financial flows. Through regulatory frameworks and policy measures, and actively divesting and shifting away from financial activities exacerbating the climate crisis, including those with continued high or increased emissions and those perpetuating fossil fuel use. Increased military spending undermines the mandate of Article 2.1.(c) and should therefore be progressively reduced.

Follow up from the COP28 Peace Declaration & looking ahead at the host country's announced 'COP of Peace'

In times of multiple wars, increased weapons production and exports and militarised adaptation measures to the climate crisis, parties should address demilitarisation for climate justice as an essential component of peace at the UNFCCC. The Declaration for Climate, Recovery, Relief and Peace[14] was a milestone at COP28 as it was the first time ever that peace featured as an official part of the COP agenda. However, by focusing solely on providing more climate finance to fragile and conflict-affected countries, the Declaration failed to address rampant militarisation as one of the root causes of conflict and the climate crisis. In May 2024, the COP29 Presidency announced steps to make the UN Climate Summit in Baku, Azerbaijan, the first "COP of Peace".[15] Below are key steps to move toward peace by decreasing military spending and increasing climate finance.

Quantitative approaches to reducing military expenditure

- The **Peace Dividend Campaign,**[16] launched in 2020 by over 50 Nobel Prize Laureates, proposes to reduce military spending by 2 per cent per year, in all countries. The 2 per cent cuts over five years, starting in 2025, would liberate an estimated $1.3 trillion and could be redirected to a global fund to tackle the climate crisis and other challenges such as pandemics.

- The **Five Percent Proposal**[17] is a two-part formula that: 1) almost halves global military spending by annual absolute cuts of 5 per cent over 10 years, with those savings redirected to human and planetary needs; and 2) implements a 5 per cent threshold formula, designed to rein back military spending thereafter. After ten years annual absolute cuts of 5 per cent among the top 20 military spenders would equate to a 10-year compound cut of 40 per cent for annual military expenditure and by extension carbon emissions. A 40 per cent reduction in military spending could also reduce military carbon footprints by up to 40 per cent.

WILPF demands Parties to

…adopt an NCQG

that is centred around a significantly scaled up public finance core and the obligation of developed countries to provide public support to developing countries.

…recommend,

in the NCQG and cover text of the "COP of Peace", the redirection of military spending as a key way for developed countries to fulfil their public support obligation.

…call on

the Standing Committee on Finance (SCF) to include in its report on biannual flows a consideration of the role of non-Article 2.1.(c) aligned flows, including military spending, and take on the linkages between misaligned finance flows and the action needed to fulfil growing needs in its development of the second iteration of the Needs Determination Report (NDR2).

…commission research

at national levels and develop policy recommendations to further elaborate on findings of the IPCC Working Group III regarding reductions in military expenditure that could be synthesised by the IPCC in a future special report.

…provide a substantial initial capitalisation

for the new Loss and Damage Fund beyond the current insufficient pledges of just over $680 million by reallocating military spending in developed countries towards the Fund.

…outline plans

to reduce military spending and invest in climate action in their Nationally Determined Contributions (NDCs).

Endnotes

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With gratitude for the contributions from Liane Schalatek, Tara Daniel and Romie Niedermayer