

Statement by the WHO Council on the Economics of Health for All

Green financing for good health: common investments for people and the planet

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The [WHO Council on the Economics of Health for All](#) (the Economics Council) is an independent voice that advocates for governments, along with the private sector, civil society and international institutions, to build a health-for-all economy. This requires valuing, protecting and restoring the health of humans and the planet and better and sustained investments and actions by communities, countries and globally.

Despite last year's COP agreement, only [26 of 193 countries](#) have followed through with more ambitious plans to tackle climate change, while [UNEP's Emissions Report](#) highlights that the international community is falling far short of the Paris Agreement's goals. On 13 October 2022, the Economics Council statement "What is at stake at COP27?" called for greater ambition for transformative change requiring political commitment in five areas relevant to health within the COP negotiation process – in addition to the Nationally Determined Contributions (NDCs) – especially for the largest emitters.

Subsequently, the Economics Council, in collaboration with the [Global Health Council](#), co-hosted two dialogues with civil society organizations (CSOs) on economics, health and climate change, on 13 October and 3 November 2022. The dialogues included CSOs representing people and communities experiencing the negative effects of climate change on health. Addressing adverse impacts and developing prevention and mitigation strategies is highly relevant in shaping collective action. Her Excellency Minister Hala Saeed, Minister of Planning and Economic Development, Egypt, opened the first dialogue, stressing that health and climate change are intertwined and cannot be considered independently. The minister concluded that conversations with CSOs are vital to ensure that their perspectives are properly represented during the negotiations at the upcoming COP27. The Economics Council refined its recommendations on the basis of the concerns voiced during both dialogues, as follows:

1. More and different finance:

Health and climate funding worldwide are grossly insufficient. More funding is necessary but stopping funding to activities that harm the health of people and the planet is also a priority. This includes:

- ***Urgently reducing fossil fuel subsidies***, estimated to be US\$5.9 trillion globally. Direct subsidies need to be redirected towards sustainable investment in labour-creating sectors. Indirect subsidies must be recognized so that people and companies – especially those with high incomes – pay for the true value of their environmental impact. A global carbon tax and emission trading systems are two options for doing this.
- ***Targeting climate funds to invest in activities that reduce the negative effects of environmental determinants of health***. Significant investments can reduce emissions and improve health outcomes. Investments with a win-win approach should be prioritized. For instance, installing solar panels in places where electricity is unavailable or unreliable will lead to positive health and environmental outcomes.

2. Increase the fiscal space for investment in the common good

- ***Rethinking the global financial architecture***, starting with the underlying definition of debt sustainability and the driving forces of sovereign risk so that countries are not penalized when using fiscal resources to invest in mitigation, adaptation or health are not penalized.
- ***Using innovative tools***, such as debt-to-SDG swaps, including health-, environment- and climate-swaps, as well as pandemic clauses.
- ***Create a public rating agency*** to counterbalance the oligopolistic power of private rating agencies in rating public and private debt.
- ***A new issuance of Special Drawing Rights (SDRs)*** to increase global liquidity.

3. Address inequality through fiscal and regulatory measures

The wealthiest 10% of the worldwide population (more than half resident in Europe and North America, but also found in Asia and Latin America) are responsible for around half of global carbon emissions.

- ***Tax specific forms of carbon-intensive consumption*** at very high rates.

4. Foster and govern innovation to alleviate climate change and its impacts

- ***International Financial Institutions to lead the tech-transfer*** programmes between high-income and low-income countries to democratize access to needed technology as part of a reformed mandate to support the global commons.
- ***Support local innovations and local solutions***. Local sourcing of innovation would have the added effect of shaping local markets and increasing income. Community- and human-centred designs should guide any effort to promote innovation.

5. Move away from short-term GDP-focused policies and recognize the value of activities that promote health.

Include new metrics that value goods and services that are indispensable to Health for All and well-being – from food-growing and cooking to cleaning, childcare, and other currently undervalued and unpaid household and community activities, including environmental conservation and breastfeeding.

- ***Focus on the human component of each policy***, including its direct impact on health through health impact assessments, and prioritize policies based on well-being dashboards that also measure the distribution of who produces and benefits from common goods.

Progress across the five points above will be achieved and sustained only if there is a political commitment to ensure that the green transition is fair and robust and that economic policy and financial investments operationalize these commitments.

The world is facing a confluence of social, political and economic disruptions. Now it is more important than ever to recognize that progress in climate and health is vulnerable and can easily be dismantled and reversed if the energy transition is not inclusive of people and countries around the world. It is essential to reflect on how much of the current debate on climate and health acknowledges the losses that the energy transition will bring to relevant sectors of the population. It is equally important to reflect on how policies can be designed to validate the concerns of people whose livelihoods depend on a fossil-dependent model, and address those concerns by making them part of the solution, and not only of the problem.

An inclusive process is necessary for heads of State and Government to agree on politically feasible and future-proofed pathways to tackle climate change and its health impacts. Reinforcing the health and well-being of all people can also catalyze political support for policies to improve the health of the planet.

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*This statement is dedicated to **Nicole Schiegg**, 1977-2022, an outstanding colleague and human being. Nicole will be sorely missed by the Council on the Economics of Health for All, the WHO Secretariat, Global Health Council and all who knew her.*

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