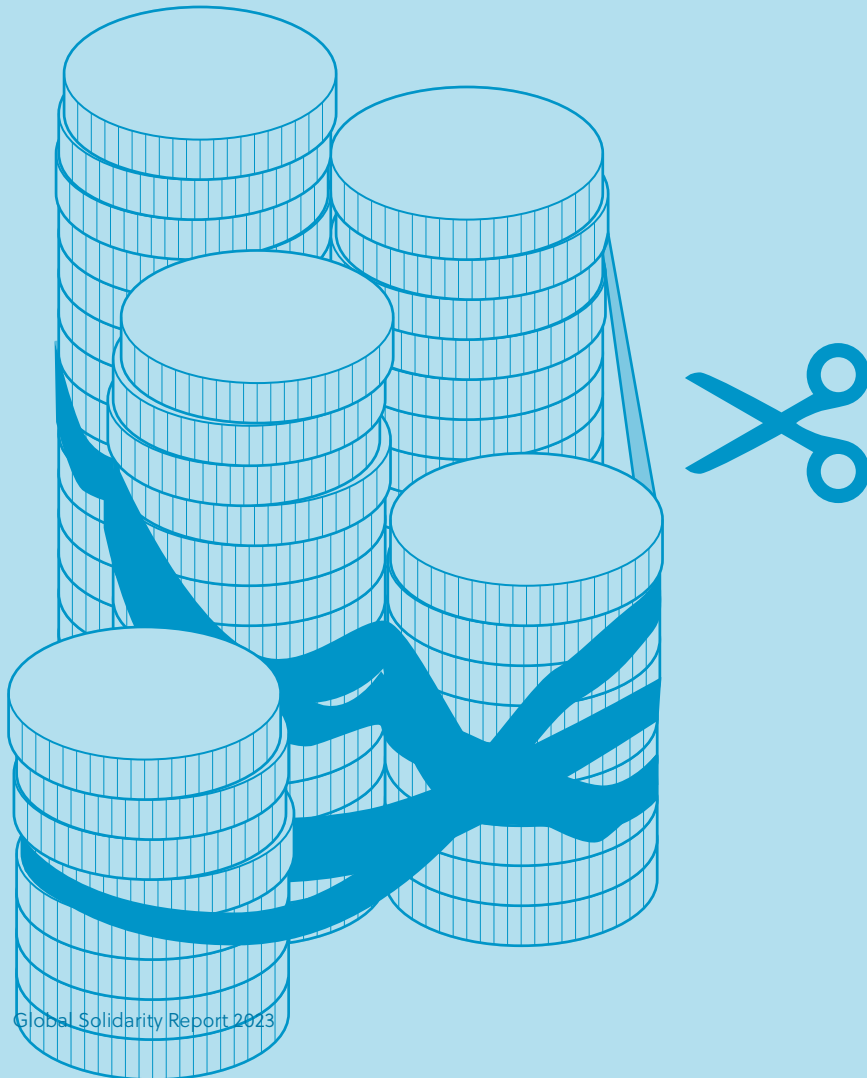


# Release trillions of dollars now by implementing the Bridgetown Initiative



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● The truly scary thing is that we are not only at an objectively dangerously low level of international cooperation, as this report shows, but also at a point where global cooperation was never needed more. Despite repeated warnings, rich countries whose wealth came in large part through greenhouse gas emissions have not done enough to curtail emissions. And promising to do more is not winning elections.

There is no longer any pathway to stopping global warming without engaging developing countries, which now account for 63% of global emissions and where there is much new fossil fuel production and exploration. And there is no pathway to the green transformation in developing countries at the current cost of capital, mainly due to the limited availability of long-term, counter-cyclical finance in the international financial system.

Current levels of solidarity cannot adequately address the climate loss and damage that vulnerable countries face from the amount of climate change already baked in. But this report shows that we must not give up hope. The ingredients of a solution exist in public perceptions, hopes, and anxieties. There is scope for ambition and change, as the proposals in the Bridgetown Initiative outline.

There is a navigable passage to tripling the amount the multilateral development banks lend, to build a trillion-dollar system. Half of the journey is made through the banks better utilising existing capital, especially callable capital, and the other half by better leveraging new shareholder capital through portfolio guarantees. That would make a difference and is achievable even within the current context.

There is scope for a massive unblocking of private capital by providing partial foreign exchange guarantees without the need for much public money. It would be a counter-cyclical mechanism with a public-good mandate, pooling risks, and with the necessary liquidity to hold fundamentally profitable trades over time.

We need new taxes and levies, otherwise the world's poorest, who contributed the least to global warming, will bear the greatest loss and damage. We cannot let that continue. Insurance is not enough. We need a hundred billion dollars. We can get it from a 1% profit levy from oil, gas, and coal companies, with a shipping tax and financial transaction taxes. We need to realise these pragmatic ambitions and let the habit of success push up levels of global solidarity. ■