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Climate Solidarity Levies and Alliance

Walking the talk

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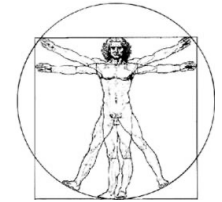
Paris 12 February 2025

Professor Benito Müller

Director ecbi

www.ecbi.org

The 2023 International Climate Solidarity Levies 'Manifesto'



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Oxford Climate Policy Blog



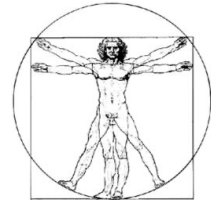
International Climate Solidarity Levies

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**A Manifesto on an Innovative Funding Source for the new Loss and
Damage Response Fund**

by **Benito Müller** ([OCP](#)), **Saleemul Huq** ([ICCCAD](#)), **Robert Filipp** ([IFF](#))

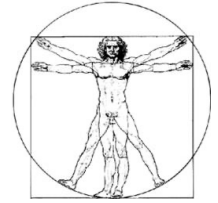
PRECEDENT: THE FRENCH SOLIDARITY TAX 2006



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- On 1 July 2006, France started to collect a **solidarity tax on airplane tickets** (*taxe de solidarité sur les billets d'avion*) as a way to help finance the fight against HIV/AIDS, tuberculosis and malaria in severely affected countries through UNITAID.
- The tax was initially proposed by Presidents Jacques Chirac of France and *Luiz Inácio Lula da Silva* of Brazil in Paris in September 2005.
- The levy was a surcharge of €1 on economy class flights within Europe, €4 on long-haul economy class, €10 on business class within Europe and €40 on long-haul business class.
- The levy is collected by the *Directorate General for Civil Aviation* which transfers it *not* to the general budget, but to a dedicated '**Solidarity Fund for Development**' managed by the French Development Agency.
- In 2023 the French tax raised around EUR 370 million, EUR 210m of which channelled towards UNITAID. According to the French government, “no impact has been observed on French air traffic or on tourism following the establishment of the airline-ticket levy.”

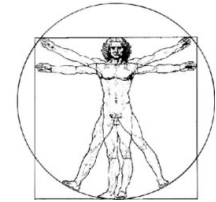
PRECEDENT: THE FIJI CLIMATE RELOCATION OF COMMUNITIES TRUST FUND 2019



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- Funding accrues through different domestic and international sources, mechanisms, facilities, and donors will be pooled.
- The revenue is used for the *support of planned relocation activities* defined by the Climate Relocation of Communities Trust Fund Act (2019), and the Climate Change Act (2021). The Fund has been designed to leverage financing from a range of different domestic revenue-raising mechanisms such as levies, or taxes.
- One of the domestic sources is the Environment & Climate Adaptation Levy (ECAL), which charges 5% on the gross annual turnover of a number of prescribed services (listed in Table 3).
- While the Fiji government will contribute 3% of the ECAL revenue, i.e. approx. USD 3.6m, to the Fund, “additional international and bilateral contributions are now required to take the initiative to scale.”

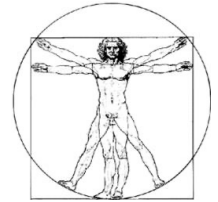
PRECEDENT: THE FIJI CLIMATE RELOCATION OF COMMUNITIES TRUST FUND 2019



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Table 3. Services that will be subject to Environment & Climate Adaptation Levy are as follows:		
No	Service provider	Services subject to ECAL
1	Licensed hotels	Accommodation, refreshments, and <i>any other</i> services.
2	Tourist vessels operating within Fiji waters	Accommodation, refreshments, and <i>any other</i> services provided on board.
3	Licensed bars	Meals, beverages, and any other services provided in a licensed bar. This includes licensed bars located, for example, in private clubs.
4	Licensed Nightclub	Services such as music, dancing or other entertainment including other services
5	Inbound tour operators	Travel, tour and sight-seeing services.
6	Organizers of entertainment programs /product exhibitions	Entry fees to the events venue.
7	Recreational Activity operators	Recreational activities provided by these operators e.g. Skydiving
8	Cinema Operators	Entry fees and all services provided within the cinema premises.
9	Licensed Rental/hire car operators	With effect from 01/01/15 any hire of chauffeur driven motor vehicles
10	Bistros and coffee shops	Meals, beverages, and other services.
11	Licensed Restaurants	Meals, beverages, and other services.
12	Aircraft operators	This applies to charter flight services except for charter flights for medical or natural disaster relief evacuations services are not subject to STT and ECAL.
13	Water sports operators	All water sports activities including river safaris.
14	Home stay operators	Accommodation and other services provided in a private residence or property that accommodates tourists, international students or overseas visitors who are paying guests. It does not apply to hostels/accommodation operated by public educational institutions.
15	Unlicensed service operators	If a service provider is not licensed but meets the registration requirements and, it will be required to register and charge ECAL on the services provided.

CLIMATE SOLIDARITY ALLIANCE (CSA): LEVIES & FUNDS

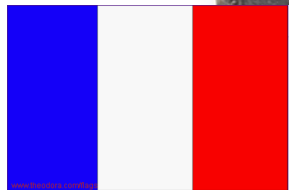


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Domestic Levies for National Funds



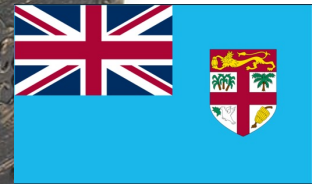
Solidarity tax on airplane tickets



Solidarity Fund for Development



Environment and Climate Adaptation (and L&D) Levy



Climate Relocation of Communities
Trust Fund

CSA SOLIDARITY MECHANISM

Fund for responding to Loss and Damage.

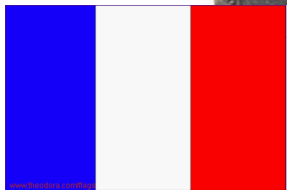
Multilateral expectation

Voluntary/discretionary

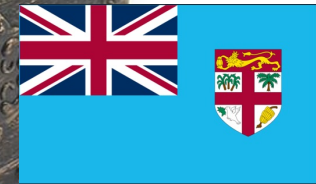
CSA expectation

Solidarity Payback & Bonus

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(Solidarity Fund for Development)



Climate Relocation of Communities Trust Fund

CSA SOUTH-SOUTH COOPERATION

Voluntary/discretionary

Fund for responding to Loss and Damage.

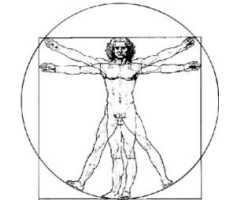
Solidarity Payback & Bonus

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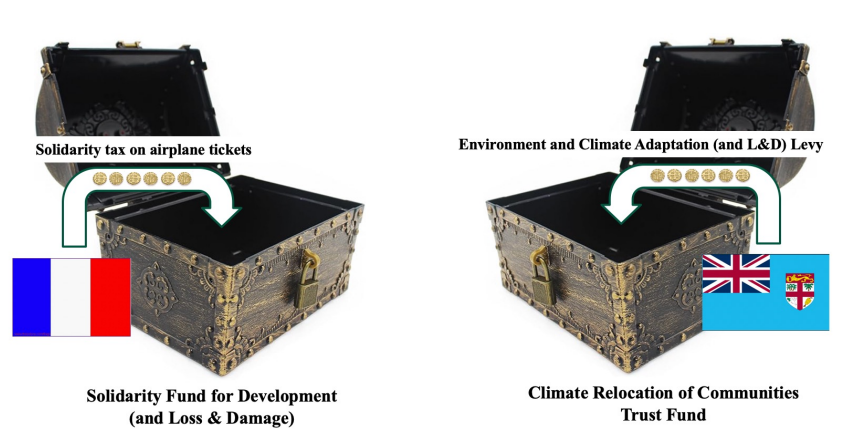


Climate Relocation of Communities
Trust Fund

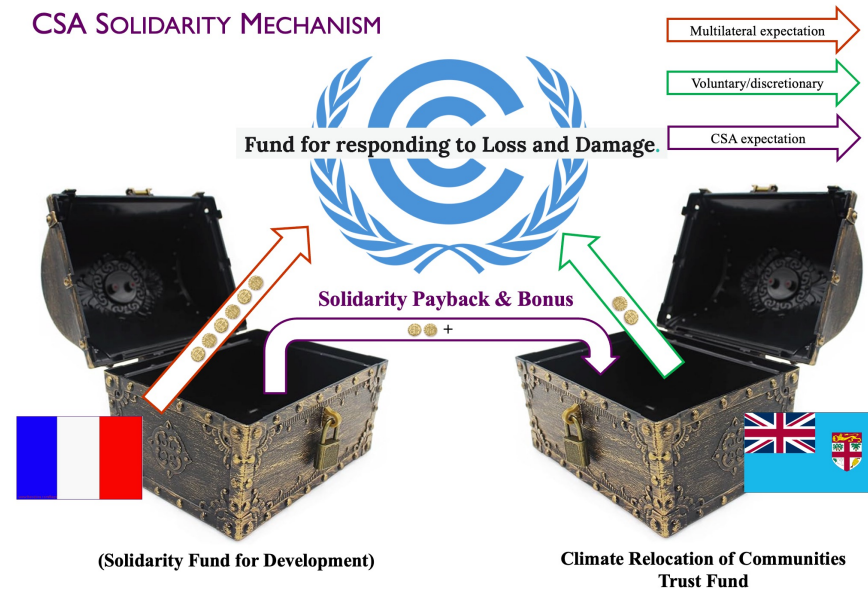
KEY CSA FEATURES



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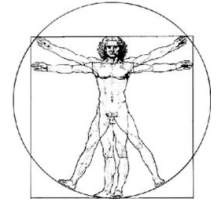


Choice of domestic
Climate Solidarity Levy:
Nationally Determined



Defining Feature of the
Climate Solidarity Alliance:
Solidarity Mechanism

CLIMATE SOLIDARITY ALLIANCE: THE WAY FORWARD?



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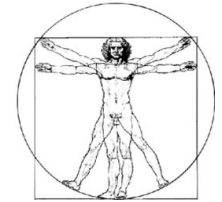
HOME

[Founding the Climate Solidarity Alliance: Possible Next Steps](#)

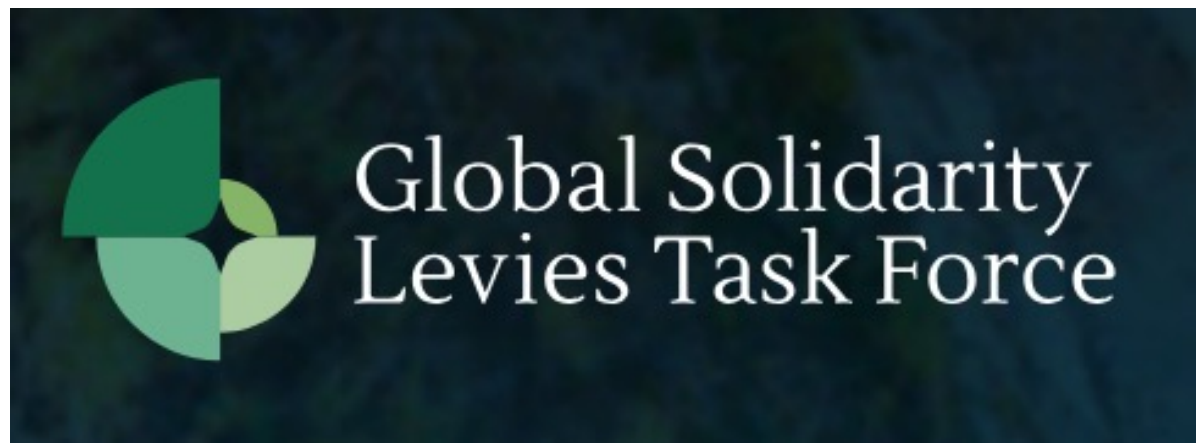
Benito Müller



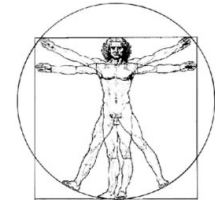
CLIMATE SOLIDARITY ALLIANCE: WHY FRANCE?



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CLIMATE SOLIDARITY ALLIANCE: WHY FRANCE?



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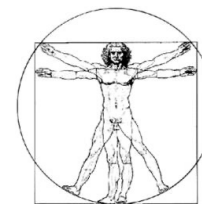
Paris
September 2005



COP21 • CMP11
PARIS 2015
UN CLIMATE CHANGE CONFERENCE



COP30
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BRASIL
2025



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THANK YOU!