

Developing Countries Want Wealthier Ones To Increase Climate Finance Pledges in Doha

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By Avery Fellow

Developing countries are seeking increased pledges from wealthier countries for climate mitigation and adaptation financing at international climate negotiations in Doha, Qatar, observers of the talks said Nov. 30.

The G77, or group of 77 developing countries within the United Nations, proposed at the 18th Conference of the Parties to the U.N. Framework Convention on Climate Change (COP-18) that developed countries raise \$60 billion a year starting in 2013 for “medium-term” climate assistance as they scale up to offering \$100 billion a year by 2020, observers said.

Some type of proposal was expected because of an eight-year gap between 2012 and 2020 in financing pledged by developed countries, according to Daniel Buckley, on the climate change team at the U.N. Development Program. The proposal is not official but is one option the G77 is considering, according to Tim Gore, climate change policy adviser for Oxfam International and an observer of the talks.

Countries at U.N. climate change negotiations in Copenhagen in 2009 agreed to raise \$100 billion a year by 2020 to finance climate mitigation and adaptation in developing countries through the Green Climate Fund. Developed countries also agreed at the talks to raise \$30 billion of new and additional “fast-start” funding between 2010 and 2012.

Amount of New Financing Unclear

Developed countries said in Doha that they have met the \$30 billion commitment, but developing countries said they have seen little sign of it, according to Gore. Some developed countries even say they have exceeded their commitments, but there is debate about whether the countries are counting money pledged before the Copenhagen conference.

The UNECA Africa Climate Policy Centre estimated in December 2011 that between \$2.8 billion and \$7 billion is new and less than \$3 billion is additional funding. The Pan African Climate Justice Alliance said that \$23.6 billion of the \$30 billion was honored, and most of the funds were loans that the developing countries would have to repay, not grants. Oxfam estimated that 33 percent of the funding is new, with the rest announced before Copenhagen, and only 24 percent was in addition to existing aid promised.

Some of the countries are more flexible about their reporting criteria than others, said Karen Orenstein, international policy campaigner for Friends of the Earth. The United States and Japan are more relaxed in their criteria and report more finance as being delivered than the European Union, she said. “There is a lot of relabeling of aid as climate finance,” Orenstein said.

In a communiqué published Nov. 13, EU finance ministers said the bloc had provided €7.1 billion (\$9.1 billion) of its pledged €7.2 billion (\$9.2 billion) in fast-start climate funding (35 INER

1096, 11/20/12).

Most Funds Went to Mitigation

Another problem is that most of the fast-start financing has gone to climate mitigation rather than adaptation, which is what developing countries more badly need, Gore said. Only 21 percent of fast-start funds went to adaptation, according to Oxfam.

Developed countries initially promised to direct at least 50 percent of pledged funds to climate adaptation, said Alexander Ochs, director of climate and energy at the Worldwatch Institute.

“There's no doubt finance has flown, but until we have clear common accounting standards for finance flows, we will never know for sure how much of it was really new money,” Gore said in an emailed statement, adding that developed countries so far at the conference have “offered nothing more than kind words and rhetorical reassurance.”

Gore called for developed countries in Doha to commit to scaling up climate finance from 2013 through 2020 and said parties at the conference should establish new rules for tracking the funds.

The Pan African Climate Justice Alliance on Nov. 28 also called for establishing reporting and verification mechanisms for climate finance.

Ochs said he did not expect a global deal on climate finance in Doha. “I do not think in this negotiation round we will see a full agreement on how to bridge the gap between 2012 and 2020,” he said. “I'm hoping that countries fill the current gap ... [and] individual countries start putting money on the table for 2012 to 2020. But I do not expect a global deal on the issue.”

Online Tool Unveiled on Finance

The U.N. Development Program and World Bank on Nov. 28 released an online tool that provides information about climate finance for developing countries. The Climate Finance Options Platform provides funding source information, case studies, publications, and other tools.

For More Information

The UNDP and World Bank Climate Finance Options Platform is available at <http://www.climatefinanceoptions.org>.