

# Climate Finance and Climate Aid – what is needed after COP 21?



**Mark Storey**  
**Swedish Ministry of Finance**

# Climate finance pre-COP 21

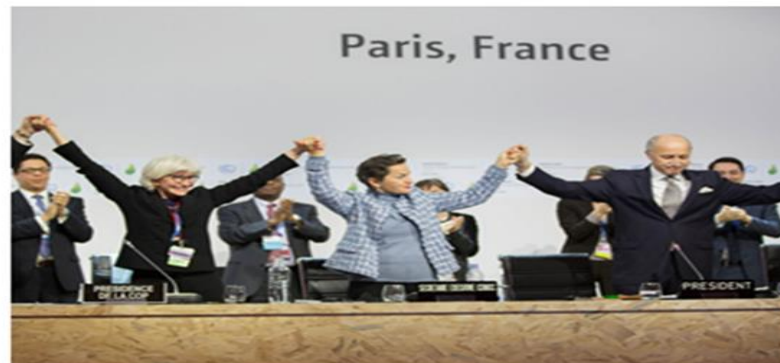
## UN Climate Convention (1992)

- Established an obligations on developed countries (Annex II) for the provision of financial resources - focus on public finance.

## COP 15 Copenhagen 2009

- New obligation on Developed countries to mobilise finance – USD 100 billion per year by 2020.
- Agreed to establish the Green Climate Fund and the Standing Committee on Finance (SCF)

# What happened at COP 21?



## What happened in Paris COP 21 (2)

- Transformative goal – All Parties have responsibility to ensure investment flows are consistent with a pathway towards low greenhouse gas emissions and climate-resilient development .
- Developed Countries shall provide financial resources - Developing Countries are encouraged to.
- Developed countries to continue to take the lead in mobilising support

## What happened in Paris COP 21 (3)

- aim to achieve a balance in the provision of resources for mitigation and adaptation
- Significantly increase adaptation finance from current levels.
- New collective (developed countries) goal to provide at a minimum USD 100 billion per year from 2020 to 2025. To be reviewed thereafter.

# Sweden's role

- **SE major donor in multilateral climate funds. Biggest per capita donor to Green Climate Fund, Global Environmental Facility and the Adaptation Fund.**
- **Extensive bilateral support. A climate change perspective mainstreamed in all bilateral development cooperation.**
- **SE made additional announcements in the run up to COP21.**

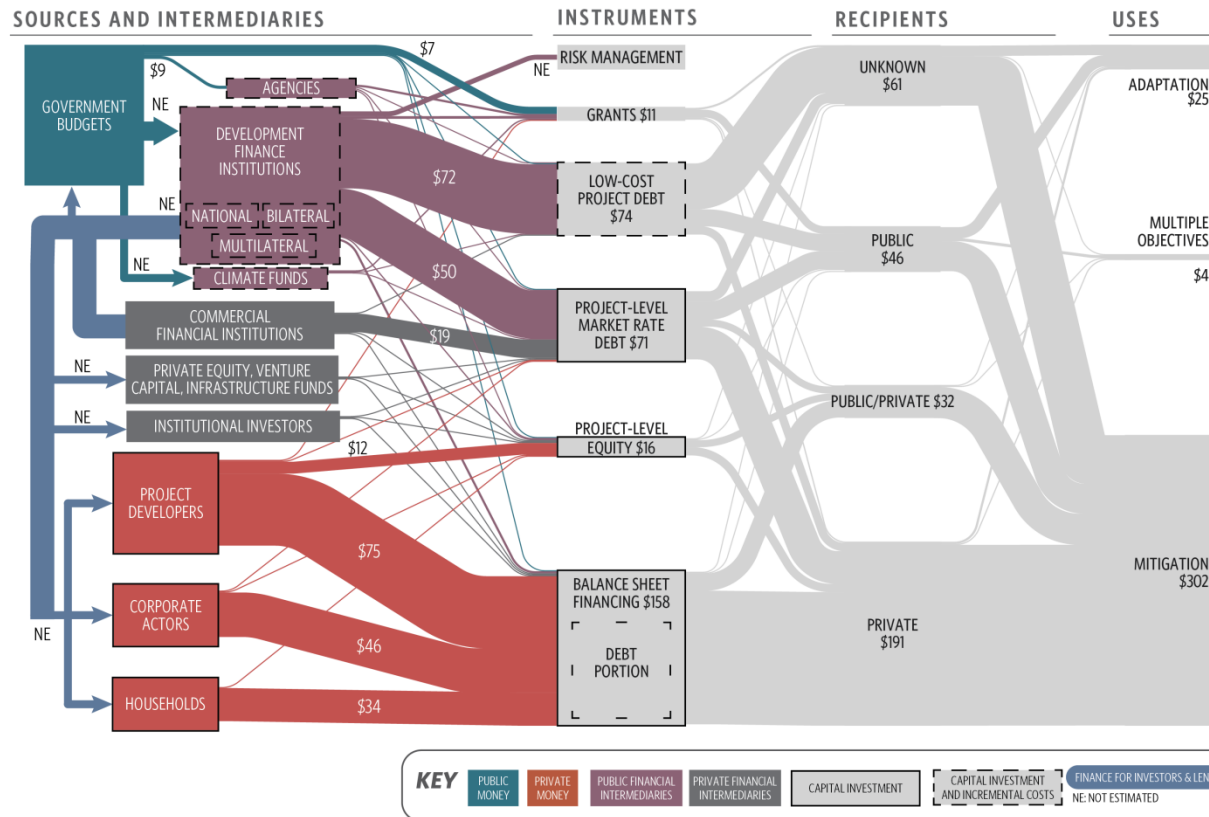
# Challenges ahead.

- Public finance and ODA will continue to play a key role.....but more private finance is needed.
- Is a shift needed in using ODA from traditional grants to greater use of instruments that catalyse private investment flows?
- Using ODA to address climate related goals can result in double dividends, but also in conflicting goals – how to prioritise and best address and measure effectiveness in this context?
- Progress on transparency – who provides what? how much? to whom? and with what result?
- A complex climate finance landscape .

# The complex climate finance landscape

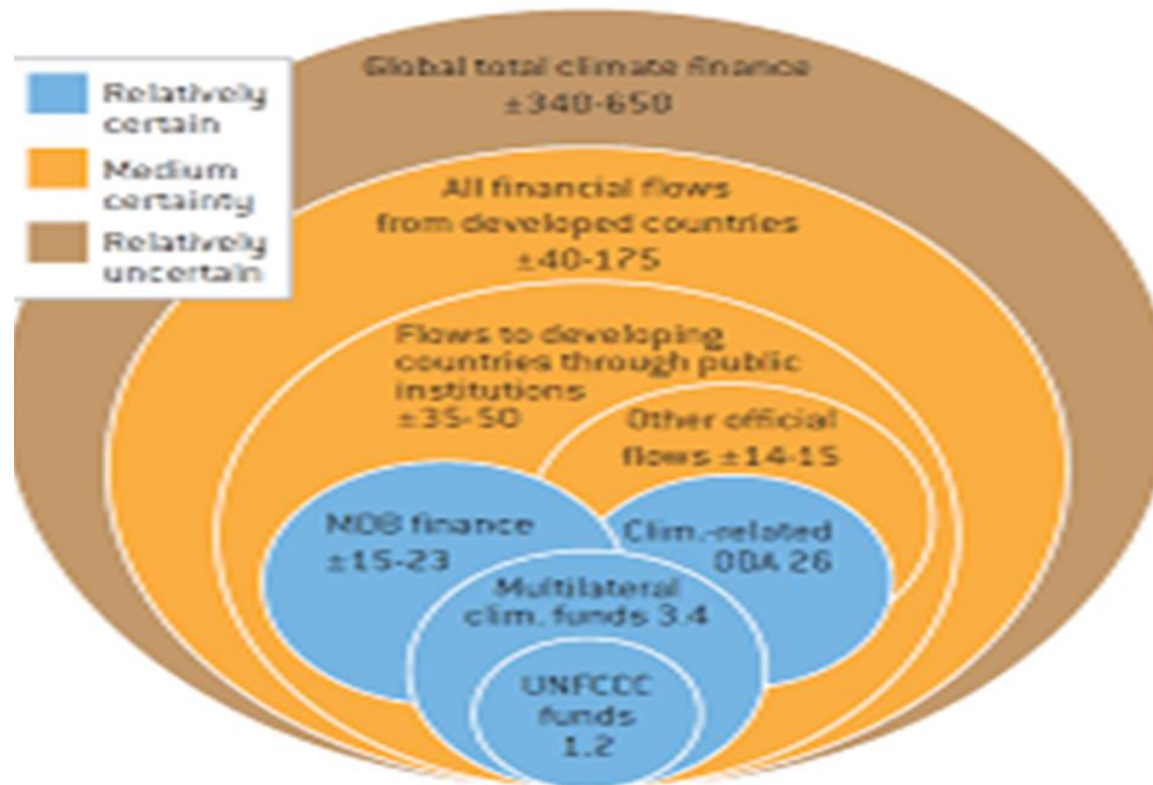
## LANDSCAPE OF CLIMATE FINANCE 2014 USD 331 BN TOTAL

Landscape of Climate Finance 2014 illustrates climate finance flows along their life cycle for the latest year available, mostly 2013





## International climate finance, \$ billions



Source: Bruegel based on OECD (2015) and SCF (2014)