



Financing Climate Change: Tracking and Building Trust

Lessons from Development Finance

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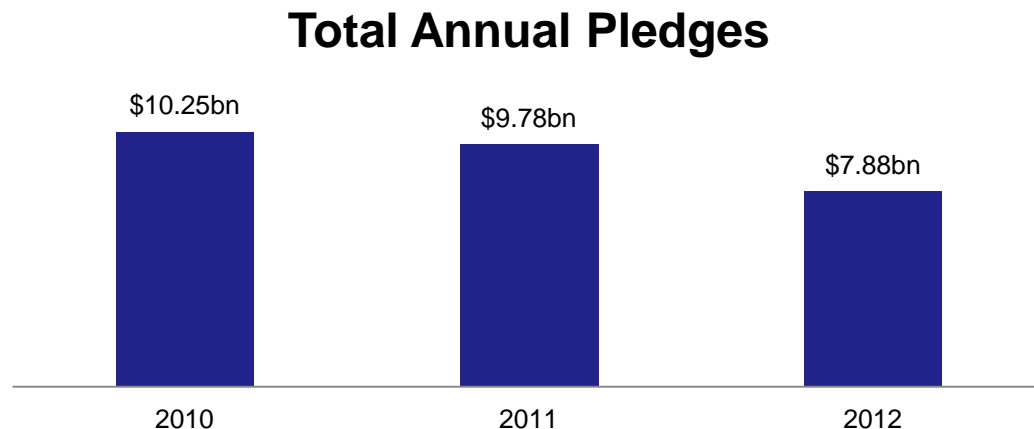


Copenhagen Accord:

- **Fast Start Finance = USD 30 billion (10 bil/yr 2010-2012)**
- **Long Term Financing = 100 billion by 2020**

Current Context:

- **Fast Start Financing is being pledged**



Total 2010-2012
Pledge:
\$27.9 billion
(Source: WRI, 2010)

- **AGF report demonstrates viability of reaching 100 billion by 2020**

Functions

- Measure public climate financial flows
- Report flows internationally
- Verify accuracy of reported data

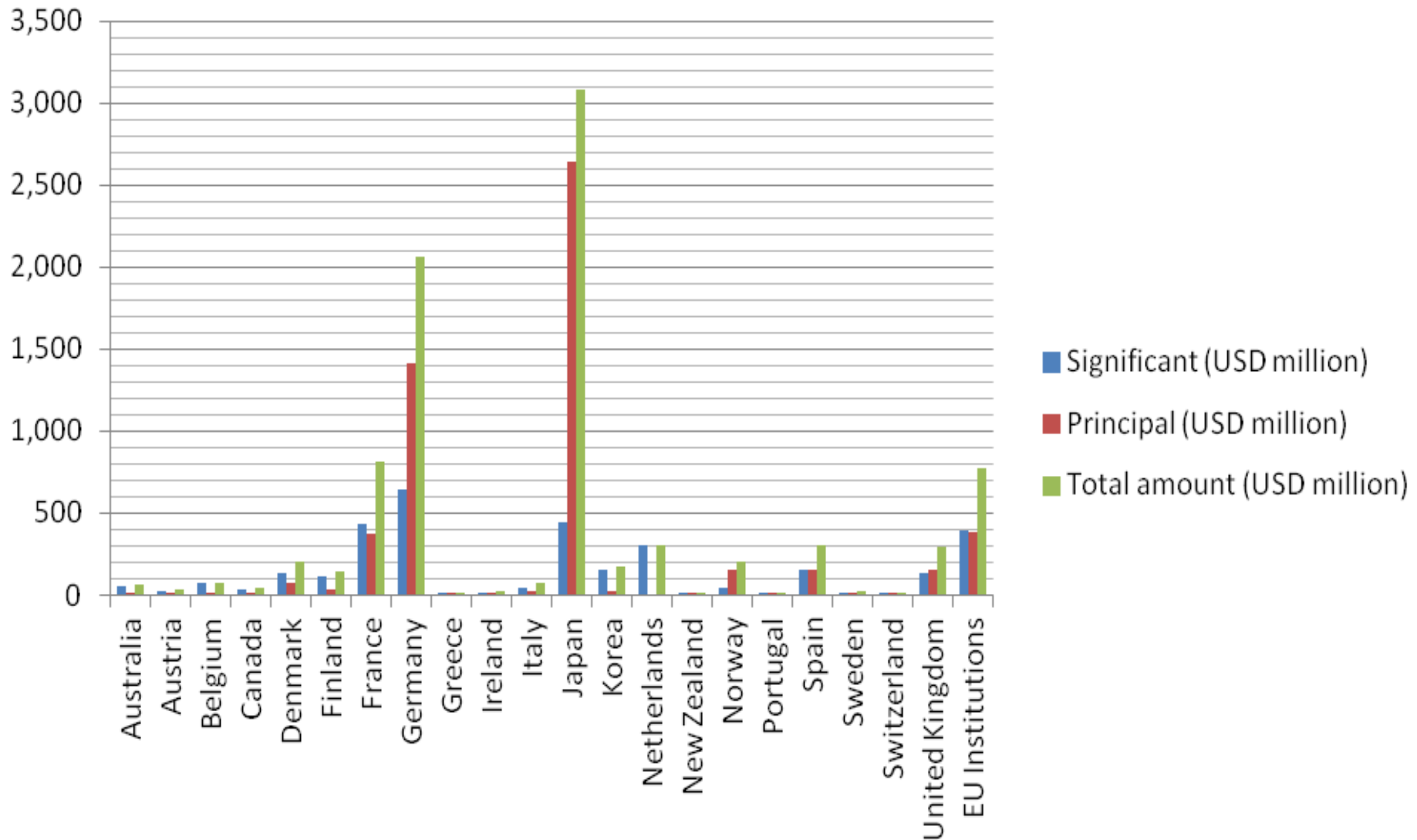


Outcomes

- Trust
- Recognition
- Accountability
- Increased ambition
- Sharing best practices
- Increased national capacity to monitor

- **OECD Rio marker on **climate change mitigation** tracks aid flows in support of developing countries' efforts to implement the Convention**
- **In 2009 the DAC agreed to also track aid in support of **climate change adaptation**.**
- **Rio markers - comprehensive presentation of aid that supports developing countries' efforts to address climate change**

Climate change mitigation-related aid in 2008



Lessons from Development Financing



- **Ownership** – Use of country systems and respect for partner country priorities.
- **Alignment** – Integrated into the country’s planning and budgeting mechanisms.
- **Capacity Development** – Build sufficient capacity to use available funds effectively.
- **Harmonization** – Programmatic approach and simplified procedures.
- **Managing for Development Results** – Results oriented planning and implementation

Conclusion

- **Mobilizing sufficient resources to address both climate mitigation and adaptation requires significant innovation and political will.**
- **Monitoring, Reporting and Verifying resources will be a critical challenge – OECD CRS offers important inputs to global efforts to monitor climate finance**
- **50 years of development experience provide important lessons on how to ensure finance is effectively delivered and used.**