

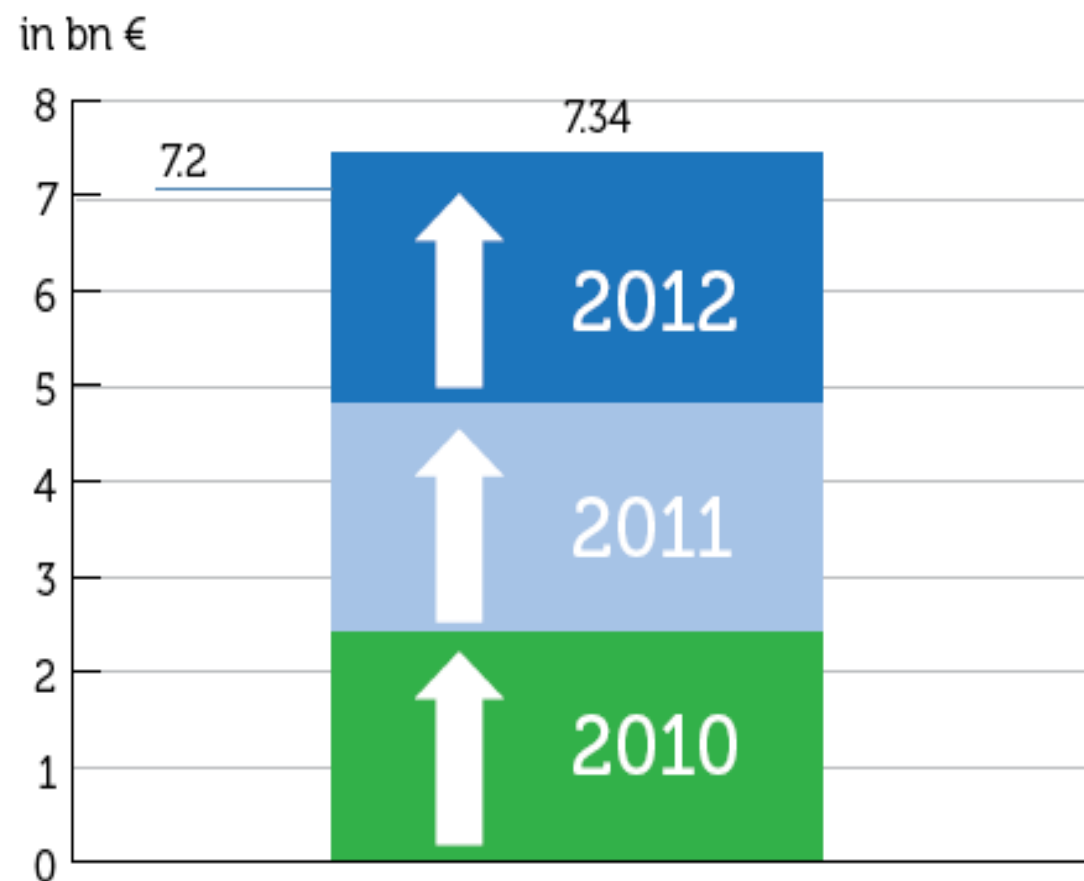


EU fast-start funding 2010-2012: lessons learned in mobilising climate finance

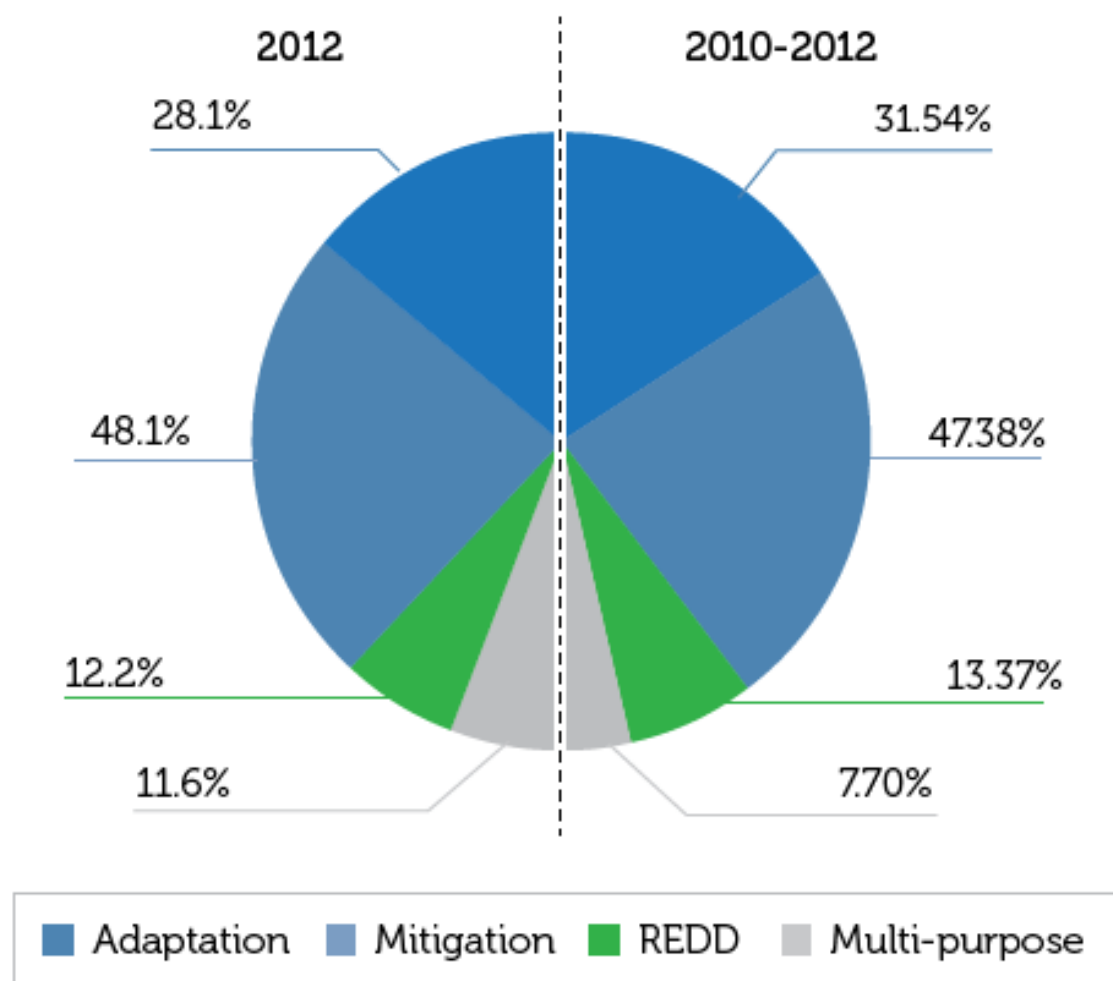
**UNFCCC side event on fast-start finance
Warsaw, 12 November 2013**

Stefan Agne, European Union

EU's fast start contribution



Allocation of EU fast start funding

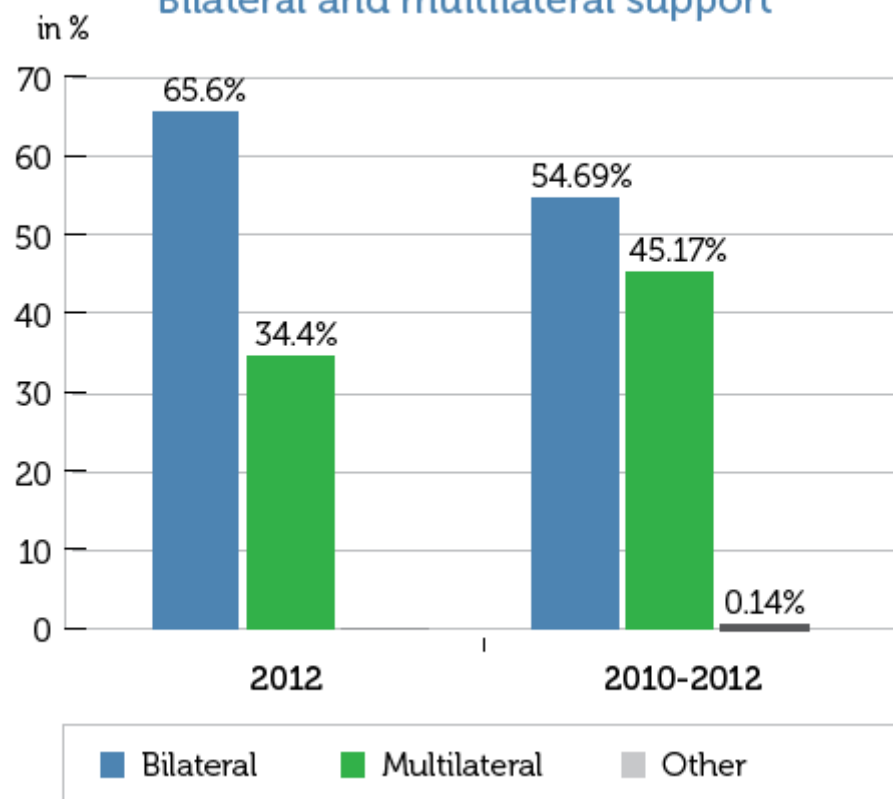




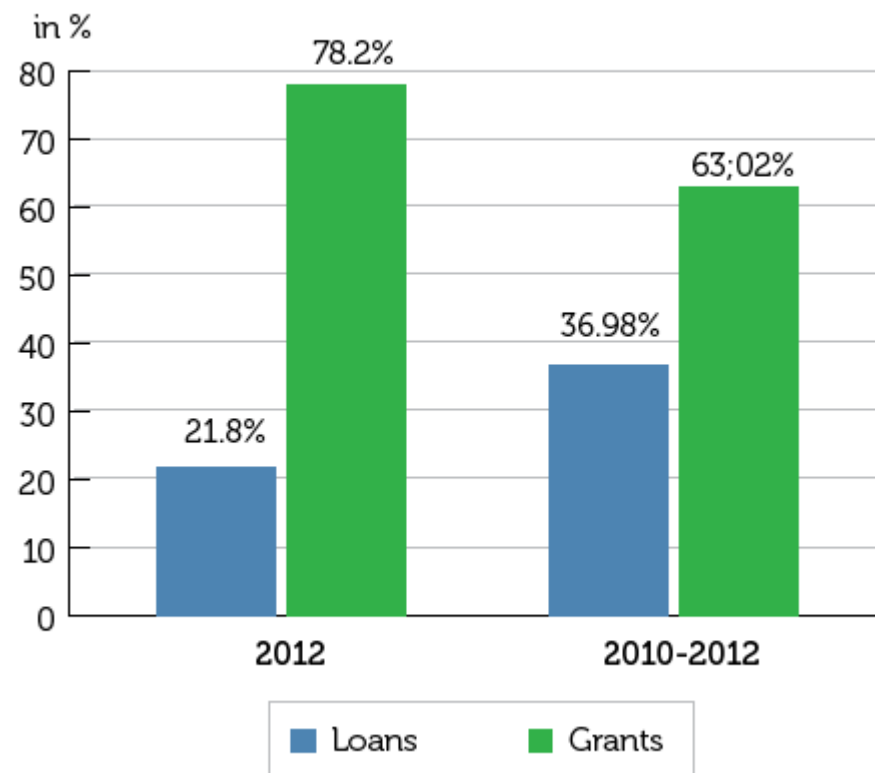
EU2013.LT



Bilateral and multilateral support



Grants and loans



Lessons learned in mobilising climate finance

1. **Country leadership:** climate finance is most effective when deployed in the context of a national climate policy and strategy;
2. **Coordination:** enhanced coordination among contributing countries increases the efficiency of climate finance and actions;
3. **Scaling up:** Financial Institutions and the private sector have the potential to increase the scale and impact of climate finance;
4. **Coherent reporting** of climate actions and climate finance increases the transparency and effectiveness of climate action and financial flows.

Mobilisation of climate finance & climate action after 2012

1. Country leadership

- Climate finance (incl. fast-start finance) supports **capacity building** in developing countries on
 - low-emission climate resilient development strategies and the identification of nationally appropriate mitigation actions (NAMAs)
 - adaptation (e.g. EU Global Climate Change Alliance)
 - REDD+ (e.g. World Bank FCPF, UN REDD, EU REDD Facility)
- Increasing number of developing countries formally have adopted **climate policies** and **integrate climate objectives into economic development planning** and into their national budgets
- EU promotes further **integration of climate objectives into development cooperation actions**

Mobilisation of climate finance & climate action after 2012

2. Coordination

- **Coordination at the national level**, ideally led by host country
- Several **Minister-level** meetings took place in 2013 to improve climate finance **coordination among contributors**

3. Financial institutions and the private sector

- **EU Regional Investment Facilities**: €480 million in public grants leveraged €6 billion of loans from Financial Institutions leading to project financing of more than €14 billion (since 2007) – potential for scaling up
- **Financial institutions in the EU** (AFD, KfW, EIB) have set themselves operational targets for climate finance as a proportion of their overall investment portfolio (ranging from 50% to 25%, respectively)
- European Investment Bank (EIB) uses a **carbon price** of about €30/t CO_{2eq} in assessing new projects
- Dialogue with **private sector** on low-emission climate resilient investment

Mobilisation of climate finance & climate action after 2012

4. Transparency on climate action and climate finance

- Reports by developed and developing countries on GHG emissions, climate policies and actions;
- Reports by developed countries on climate finance provided / mobilised;
- Pilot work in a number of developing countries to track climate relevant expenditure in public budgets;
- Work by OECD, think tanks and research institutes on tracking and reporting of private climate finance

Further information on EU climate finance

Fast-start finance by the EU and its Member States:

http://ec.europa.eu/clima/policies/finance/international/faststart/index_en.htm

Provisional update on climate finance by the EU and its Member States in 2013:

http://ec.europa.eu/clima/events/0086/funding_en.pdf

Side events on climate finance by the EU and its Member States:

http://ec.europa.eu/clima/events/0086/calendar_en.htm#schedule

- ✓ "Scaling up climate finance: EU initiatives to support climate action in developing countries" ([Wednesday, 13/11/2013, EU Pavilion, Room Brussels](#))
- ✓ ... plus a series of side events on actions funded by EU Member States, the EU Commission and European Financial Institutions



Thank you!