Bonn: Financing for low-carbon, climate-resilient future takes center stage at UN climate conference

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"We need all financial players – public, private, domestic, international – and including markets and regulators, to work together effectively to mobilize at least $1.5 trillion in climate finance that is needed every year," said Eric Usher, Head of Finance Initiative at the UN Environment Programme (UNEP).

As part of 'Finance for Climate Day' at COP23, high-level representatives from across the sector highlighted their efforts to meet the goals of the Paris Agreement of keeping the average global temperature rise well below 2 degrees Celsius and as close as possible to 1.5 Celsius.

They stressed that every dollar invested in cutting greenhouse gas emissions and adapting to climate change gets double the bang for the buck because it directly supports the international community's 2030 Agenda for Sustainable Development.

According to the UN Climate Change (UNFCCC) Secretariat, finance for climate is flowing at a greater pace than ever, with vibrant and growing markets for renewable energy, electric vehicles, green buildings and climate-smart agriculture seeing aggressive growth, backed by exponential advances in innovative green financial instruments, indices and markets.

Equally, the finance sector is recognizing to a much greater degree where and how climate change presents risks to its existing investments and the need to adjust their portfolios away from carbon-intensive assets to reduce that risk.

However, much more is needed to secure finance and investment at the scale required to deliver a fully de-carbonized and climate-resilient global economy by 2050.

"The potential for climate friendly investment in areas such as clean energy and climate-smart agriculture is enormous," said Laura Tuck, Vice-President Sustainable Development at the World Bank. "The key is to get the funding to flow so that everyone everywhere can benefit from low-carbon and climate resilient investments."

Peter Damgaard Jensen, CEO of the Danish Pension provider PKA and Chair of the Institutional Investors Group on Climate Change (IIGCC) said at a press conference that "it is extremely important that there is a significant increase of investor awareness and action with regards to supporting the transition […] to a low carbon economy." "Strong investment signals from policy makers across carbon trading, energy, transport and buildings, are essential to unlock the necessary capital," he added.

Members of African civil society and members of Parliament spoke today on the urgency of climate finance as a prerequisite to ambitious action in African countries.

"Africa is the continent that pollutes the least," but "it is Africa which suffers the effect of climate change," said at a press conference Roger Nkodo Dang, President of the Pan-African Parliament, which is the legislative body of the African Union.

In an interview with *UN News*, he added that developed countries have a duty to provide additional support to Africans for their green development. "If you tell us 'do not cut the wood,' we say, 'you bring us electricity,'" he said. "It's not a favor; it's a compensation."