

# UK COP26 Presidency publishes Climate Finance Delivery Plan led by German State Secretary Flasbarth and Canada's Minister Wilkinson ahead of COP26

The UK COP26 Presidency is today (25 October 2021) publishing a Climate Finance Delivery Plan to provide clarity on when and how developed countries will meet the \$100 billion climate finance goal.

Based on the analysis from the Organisation for Economic Cooperation and Development (OECD), the delivery plan shows that developed countries will make significant progress towards the \$100 billion goal in 2022, and provides confidence that it will be met in 2023. The data also provides confidence that developed countries can mobilise more than \$100 billion per year thereafter through to 2025.

Climate finance plays a critical role in helping developing countries fight climate change and adapt to its impacts. In 2009, developed countries agreed to mobilise \$100 billion in climate finance per year by 2020, and in 2015 agreed to extend this goal through to 2025. While developed countries have significantly scaled-up their support over the last decade, new analysis shows the \$100 billion goal was unlikely to have been met in 2020 and is likely to also fall short in 2021 and 2022.

Ahead of COP26, COP President-Designate Alok Sharma asked Jonathan Wilkinson, Canada's Minister of Environment and Climate Change and Jochen Flasbarth, Germany's State Secretary at the Ministry for Environment, Nature Conservation and Nuclear Safety, to work together to produce a Delivery Plan on the \$100 billion commitment, to demonstrate how and when developed countries will deliver on their promise.

Building on assessments of progress on the \$100 billion goal to date, the Delivery Plan sets out an estimated trajectory of climate finance from 2021 through to 2025 – taking into account new climate finance pledges from individual developed countries and multilateral development banks. It also sets out principles on how to improve the delivery of climate finance.

Whilst it is disappointing that the goal has not been met so far, the redoubling or significantly increased efforts from a large number of developed countries – including the UK, Canada, Germany and others – means we are now much closer to the target and are delivering funds to support countries on actions against climate change.

Private climate finance has also underperformed against expectations, the plan makes clear that more needs to be done in this respect, but does not rely on a significant improvement in this for the goal to be met by 2023.

Furthermore, based on consultations undertaken by Minister Wilkinson and State Secretary Flasbarth, additional pledges from developed countries may be expected this year but are not yet ready to be included in the analysis at the time of publishing. These are likely to further increase the projections outlined in the report.

The Plan lays out a set of guiding principles for collective actions of developed countries, including increasing financing for adaptation, addressing barriers in accessing climate finance, and improving private finance mobilisation.

Developed countries will continue to engage with developing countries and with civil society to ensure climate finance is delivered effectively, efficiently and at scale.

The OECD supported the work on this Delivery Plan with its expert analysis that provides aggregate, forward-looking estimates of an increase in climate finance from 2021 to 2025.

Climate finance will be key at COP26 in Glasgow later this month. Providing clarity on the timing and sources of funding is only the first step on the path towards delivery. Robust conversations will continue at COP26 on ways to ensure countries are collectively doing what is needed to deliver on the goals of the Paris Agreement.

COP26 President-Designate Alok Sharma said:

The Delivery Plan sets out how developed countries will deliver the \$100 billion goal that has long been promised to developing nations.

Scaling up climate finance has been one of my top priorities as COP President. This plan recognises progress, based on strong new climate finance commitments. There is still further to go, but this Delivery Plan, alongside the robust methodological report from the OECD, provides clarity, transparency and accountability. It is a step towards rebuilding trust and gives developing countries more assurance of predictable support.

We can and must do more to get finance flowing to developing nations. So in the lead up to COP26, it's vital we see further pledges from developed countries and action on key priorities such as access to finance and funding for adaptation.

The Honourable Jonathan Wilkinson, Canada's Minister of Environment and Climate Change said:

It is critically important for developing countries to be able to trust that the developed world will make good on its promises, starting with the \$100 billion climate finance goal. Earlier this

year, our Government doubled its climate finance commitment and is proud to have taken on this leadership role with Germany, at the request of the COP26 President-Designate. While more work needs to be done, I hope that today's report can instill confidence and trust that developed countries will deliver on their promises to the developing world, and that Canada will continue to be a constructive player to this end internationally.

German State Secretary Jochen Flasbarth, Federal Ministry for the Environment, Nuclear Safety and Natural Conversation said:

Developing countries have been rightfully disappointed that so far developed countries have not delivered on the \$ 100 billion pledge that was already given in 2009. Hence, I am glad that the process I was honoured to lead jointly with Minister Jonathan Wilkinson has created momentum to help complying with the finance commitment overall in the period up to 2025. We are very aware that also after today's release of the Delivery Plan, a lot of work remains. However, it is my strong hope that with this plan, we can show the international community that developed countries remain committed to deliver on their promises.

I can assure you that Germany is strongly committed to the \$100 billion target. In 2020, we provided in total 7,8 billion EUR for international climate finance. We intend to increase the fraction of our climate finance coming from our national budget from 4 billion EUR in 2020 to prospectively 6 billion EUR in 2025. Thus, we will continue to provide our share in the years to come.

- In 2009, developed countries committed to a goal of mobilising jointly \$100 billion a year by 2020 to address the needs of developing countries, in the context of meaningful mitigation actions and transparency on implementation. This collective goal was reaffirmed under the Paris Agreement in 2015 as Parties committed to continue delivering on this goal through 2025[A7] .
- In June 2021, the Prime Minister of Canada announced that Canada will double its international climate finance commitment, to \$5.3 billion over the next five years. Canada's increased commitment to climate finance includes an increased focus on adaptation and recognises that urgent action is needed to address the interconnected crises of climate change and biodiversity loss, which disproportionately affect the poorest and most vulnerable.
- Since 2015, the Government of Canada has invested over \$100 billion in clean growth. The Government of Canada's existing climate actions put Canada on a path to exceed its previous target and allowed the

government to set an ambitious new target of 40-45% reductions below 2005 levels by 2030 earlier this year.

- Greenhouse gas emissions in Germany fell by 40.8 percent from 1990 to 2020. Germany is to become climate neutral by 2045 and has outlined a path to achieve this with binding targets for the 2020s and 2030s
- The interim target for 2030, currently 55 percent, is being increased to a 65 percent greenhouse gas reduction compared to 1990. A new interim reduction target of 88 percent has been set for 2040.
- Climate action efforts up to 2045 will thus be more appropriately distributed across the current and future generations. Germany is moving away from coal during the 2030s. Coal-fired power generation is set to end by 2038 at the latest.
- By its Climate Change Act Germany has retained the system of year-specific permissible emission levels for the individual sectors for this decade, with these levels significantly reduced.
- The new German 2030 climate target also takes account of the new, higher EU climate target for 2030, which all member states agreed on at the end of 2020 during Germany's Council Presidency.
- The EU and its Member States, acting jointly, are now committed to a binding target of a net domestic reduction of at least 55% in greenhouse gas emissions by 2030 compared to 1990. In July 2021, the European Commission tabled the "Fit for 55" package which has the aim of aligning EU climate policy with the new NDC of the EU and its Member States.
- With new 2030 mitigation targets this year from the Canada, Japan and the U.S., combined with ambitious action from the EU and U.K., countries accounting for more than half of the world's economy have now committed to the pace of emission reductions required globally to limit warming to 1.5°C.
- The financial support for international climate action has been consistently increasing and on a high level in recent years. In 2020, Germany provided in total 7.83 billion EUR for international climate finance. As part of that, Germany was significantly surpassing its pledge to double climate finance from budgetary sources to 4 billion EUR by 2020. As announced at the G7 summit, Germany also wants perspectivevely to further increase its climate finance from budgetary sources, from 4 to 6 billion EUR annually by 2025 at the latest.

- The United Kingdom holds the Presidency of COP26, this year's international climate meeting and negotiations. Climate finance is one of the four COP26 goals, a key priority for the UK's COP26 Presidency.
- In 2019, the UK doubled its climate finance commitment to £11.6bn between April 2021 and March 2026, compared with the previous five year commitment of £5.8bn between April 2016 and March 2021. These amounts follow on from the £3.8bn ICF spent between April 2011 and March 2016.
- [Climate Finance Delivery Plan: Meeting the US\\$100 Billion Goal.](#)
- [OECD Technical Note: Forward-looking Scenarios of Climate Finance Provided and Mobilised by Developed Countries in 2021-2025.](#)
- [COP26 Presidency Compilation of 2021-2025 Climate Finance Commitments \(as at October 2021\).](#)