

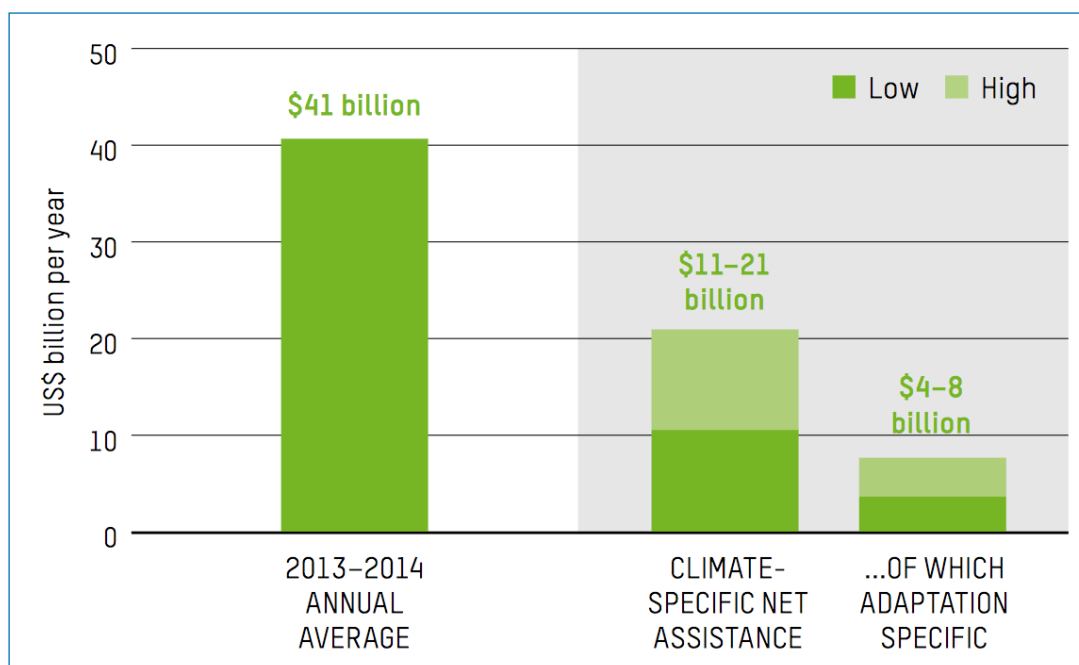
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Climate financing for poor countries: confusion, lack of transparency and probability that commitments made will not be respected

One year ago, countries participating in COP21 in Paris signed the [Paris Agreement](#), committing to “undertake rapid reductions” of greenhouse gas (GHG) emissions. Through this Agreement, rich countries pledged to fund efforts in poor countries through a funding mechanisms that aims to mobilise annually USD100 billion by 2020.

The irony of this commitment is that there is no credible mechanism established to monitor and check whether it is really being implemented. This is a fact that is emphasised by a report prepared by Oxfam and that rests on three data sources that present a rather contrasted situation: national annual reports to the [United Nations Framework Convention on Climate Change](#) (UNFCCC), (ii) the [database of the Development Co-operation Directorate of the OECD](#), and (iii) the [roadmap to 100 billion](#) recently published by 38 rich countries and the European Union.

Reported climate finance and Oxfam estimate of net climate-specific assistance (2013–2014 average)



The analysis conducted by Oxfam, just before the COP22 of Marrakech, raise the issue of the measurement of commitments and spendings made by rich countries. This is not a new issue as it was already raised at the time of commitments made in L'Aquila by G8 countries to fund a reaction to the food security crisis that occurred during the second part of the first decade of this century: at that time, it became evident that only a small share of the USD20 billion pledged by the G8 members represented additional funding, the rest

being old commitments that had been “recycled” or “reallocated” to this the battle against the food crisis.

The main conclusions of the NGO's work can be summarised in three main points:

- *“Levels of climate finance to adaptation and to Least Developed Countries (LDCs) are seriously low – new commitments to increase both are urgently needed”.*
- *“Agreement on common accounting standards is long overdue and vital to ensure that climate finance is spent effectively and efficiently to help deliver low carbon and climate resilient development. Climate finance reporting systems lack transparency, consistency and detail, resulting in wide differences and ‘fuzzy maths’ in the way developed countries report”*
- *“Reported levels of global climate finance overstate the actual support (climate-specific support, net assistance) provided to developing countries by a large margin. This is due to, for example, many countries counting loans at face value rather than at their grant equivalent.”*

The data put forward by Oxfam are eloquent:

- in 2013-2014, out of USD 41 billion of public funding announced, only 11 to 20 billion deal with climate change (note the large range of this figure)
- out of USD 67 billion that could be raised by 2020, 18 to 34 billion would deal with climate change
- the major part of this funding is through loans, not grants.

This would fall short of what is required!

Oxfam also looked that private funding which is often put forward by countries as having a very important role to play in the mitigation and adaptation to climate change. It is supposed to top up the already mentioned USD 67 billion to reach the pledged 100 billion (let us remind here that it is estimated that private investment is greater than USD 5000 billion every year...). Four countries only (Canada, Finland, France and Japan) have so far specified the amounts of private funding mobilised in poor countries. Other governments have apparently given their estimates, but they are not accessible for the time being.

In conclusion: confusion, lack of transparency and a high probability that the commitments made will finally not be respected... This sounds familiar!

To know more :

- Oxfam, [Climate finance shadow report 2016: Lifting the lid on progress towards the \\$100 billion commitment](#), Oxfam Grow, 2016
- OECD, [2020 Projections of Climate Finance Towards the USD 100 Billion Goal](#), 2016
- [Biennial national reports submitted to the UNFCCC](#) for period 2013–2014
- OECD, [Climate Finance in 2013-14 and the USD 100 billion goal](#), OCDE, Paris 2015

Sélection d'articles déjà parus sur lafaimexpliquee.org et liés à ce sujet :

- [Climate is changing - Food and Agriculture must too - Towards a “new food and agricultural revolution”](#) , 2016

- [Strengths and weaknesses of the agreement reached at the Addis Ababa Conference on Financing for Development](#), 2015
- [Insufficient support to agricultural development](#), 2012