

## ADP Intervention on Finance 10-06-2014

### Enablers for Action

1. The African Group believes our discussions under the ADP will be enabled by the following:
  - a. Significant progress on pathways to meet the US\$ 100 billion per year by 2020, noting that in 2014 the indicative level of resources to be provided by developed countries should be around US\$ 32 billion; and
  - b. Our focus on the finance gap post the fast-start finance period (2010-2012) should focus initially on how to meet the US\$ 100 billion per year by 2020, noting that in 2014 the indicative level of resources to be provided by developed countries should be around US\$ 32 billion.
  - c. In order for developed countries to be on track to meet the 2020 finance goal would mean that by 2015, the indicative level of resources should reach the level of US\$ 44 billion. The lack of a clear collective pathway to reach this goal is a major concern for developing countries.
  - d. As such the developing countries are proposing a mid-term target for 2016 between US\$ 60-70 billion. The finance gap for the post 2020 period needs to focus on how to move from US\$ 100 per year in 2020 to about US\$ 600 per year by no later than 2030

### General Approach

1. The objective of our deliberations is the operationalization of the criteria related to finance in the Convention and other relevant COP decisions, in particular those related to sustainability, adequacy, predictability and additionally of finance.
2. We need to urgently address the scale of finance in the context of the agreed goal of keeping the temperature below 2 degrees Celsius, while allowing for a regular review process of the availability of resources and dealing with issues of their predictability and adequacy.
3. We must promote country ownership through enhancing direct and facilitated access to resources, enhancing national needs assessments, while promoting continuous follow up of such assessments;
4. We must enhance the role of the current institutions namely the Standing Committee of Finance in assisting the COP on issues related to finance, in particular on the assessment of needs related to finance and reporting on the disbursement and evaluation and analysis of the financial flows;
5. It is important that the level of action by developing countries should be linked to the level of support provided by ANNEX II in line with Article 4.7, taking into consideration that any commitment in mitigation by developing countries should be balanced by a commitment on finance and technology transfer by developed countries..
6. Adaptation finance should be given a priority and fair share in line with its importance and priority for developing countries, in line with Article 4 of the Convention.

## Specific Proposals on the 2015 Agreement

Finance provided to developing countries should be fully in line with the Convention and the relevant decisions, mainly through:

1. Financial resources to be provided based on a **quantified target** that is inline with the 2/1.5 degrees goal and building on the estimates by WB and other studies;
2. It should be **predictable**, meaning sources to be clear and burden sharing between Annex II would be implemented;
3. It should be **sustainable**, meaning that at least a 5 years commitments by Annex II should be clarified by scale and timeline;
4. It should be **adequate**, and **ensure country ownership**, meaning that it should be based on the needs identified by the developing countries according to their priorities;
5. It should be **NEW** and **Additional**, meaning that it is different than current commitment of ODAs 0.7% of developed countries GDP;
6. It should be **balanced**, meaning that adaptation gets at least 50% of resources; and
7. It should be based on **criteria**, meaning that each continent gets its share in line with the challenges it is facing, so fair allocation to Africa should be ensured in line with its adaptation needs and mitigation potential.
8. It should be transparent and including an assessment of needs related to finance and mechanism for reporting on the disbursement and evaluation, and analysis of the financial flows.

## Specific Proposals related to INDCs

1. We see the preparation of developing country INDCs in the context of Article 12, where full costs of such reporting should be covered at full cost, as such should be clearly provided for, and be part of the decision in Lima.
2. Countries must include information on scales, types and channels of climate finance they intend to provide as part of their fair share in the global effort.
3. There is a need to integrate Means of Implementation in all INDCs submitted by Parties, in doing so.
  - Developed countries should provide upfront information on their INDC on their finance contribution: type, scale, pathway
  - Developing countries should also present their means of implementation needs to achieve their INDC