

## **Elements of development of guidelines for the fifth review of the financial mechanism**

### **Submission by Algeria**

Algeria thanks the UNFCCC secretariat for giving the opportunity to express view about the important issue of finance.

Algeria believes that governments cannot deal alone with the adverse impact of climate change. It underlines the importance of involving all stakeholders and the necessity to set-up at the national level regulations and legislations to play an enabling role in driving further investments.

Scaling-up of climate finance and sources must be the priority. It is crucial to identify the potential of climate finance in the short, medium and long terms, by using several approaches and possible strategies for their mobilization.

Public sources must be the main source. They should have the adequate priority taking into account constraints like sustainable development and low-carbon growth.

There is a need for coordination with the private sector in order to unlock these sources bearing in mind that institutional investor and banking entities have entered as new stakeholders in the discussions on climate finance.

We believe that governments could use some policy instruments to mobilize climate finance consequentially with engaging stakeholders, providing price signals to incentivize the deployment of low-carbon investments and creating markets to realize the benefits of green growth.

For the near future, we have to be able to design elements of international climate finance architecture that exhibit scalability and replicable features for current and future climate actions/funds and to give the UNFCCC and bodies under its mandate a major role in creating a more conducive enabling environment.

Algeria calls for pursuing with a third workshop on long term finance, to be held before COP19 and to focus on the definition of what can be counted as climate finance, the potential sources of finance, the main obstacles that have hampered progress their mobilization, the increasing private sector involvement and the support for adaptation in developing countries.

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