

Iceland's Fast Start Finance – Status August 2013

Iceland is pleased to submit the information below on actual disbursements of Fast Start Finance in 2011 and 2012.

Iceland is committed to assist developing countries adapt and mitigate the adverse effects of climate change. In 2010 the Government of Iceland decided to commit 1 million US dollars to Fast Start Financing to be disbursed in 2011 and 2012. The contribution was new and additional to existing ODA, and for this reason a separate item was included on environmental and climate change matters in international development cooperation in the State budget as of 2012.

Iceland's Fast Start Finance is divided between adaptation, mitigation and capacity building, and gives special attention to women's empowerment in the field of climate change and increasing access to renewable energy sources. The funding is on grant basis and is divided between multilateral and bilateral assistance. Focus is given to Iceland's bilateral partners countries, which are all among the LDCs.

In June 2011, the Icelandic parliament adopted a parliamentary resolution on a Strategy for Iceland's Development Cooperation 2011-2014. The Strategy was reaffirmed by the parliament in March 2013, and extended to 2016. The Strategy is based on a holistic approach to development policy, and accordingly covers multilateral and bilateral cooperation, humanitarian assistance and peace-building efforts. The Strategy also identifies international development cooperation as one of the key pillars of Iceland's foreign policy.

The Strategy introduces time-bound targets to reach the 0.7% target within the next 8 years. It lays out a gradual increase in ODA levels, with the aim of reaching 0.5% in 2017, but in 2011 and 2012 the ODA level amounted to 0.21%.

One of the priority areas in the new strategy is environmental sustainability which has been identified as a cross-cutting theme. As a part of this priority area, climate change related development efforts will play an increasingly important role.

Accordingly, in 2012 29% of Iceland's total ODA or 7,6 million US dollars had mitigation or adaptation to climate change as a significant or primary objective. Thereof 3 million US dollars were allocated to projects with adaptation objectives only, 0,8 m for mitigation objectives only and 3,8 m for projects with both mitigation and adaptation to climate change as a significant or primary objective.

Iceland will continue to support adaptation and mitigation efforts in developing countries after the Fast Start Finance period, and in 2013 allocations to climate change related development efforts from the separate budget item, mentioned previously, will increase by 34%. That excludes several projects directly or indirectly related to climate change, such as a large project on geothermal exploration and development in East Africa.

Allocations in 2011

Iceland supported four different projects as a part of its Fast Start Finance allocation in 2011:

Programme or Project title	Thematic area	Beneficiary Country / Region	Partner(s)	Amount of contribution
UNFCCC Least Developed Countries Fund	Adaptation	LDCs	UNFCCC / GEF	133,500 USD
Addressing the Gender Dimensions of Climate Change on Fisheries Sector Livelihoods Interventions	Capacity Building	Malawi, Mozambique, Uganda	FAO, The Gender Equality Studies and Training Programme (GEST), ICEIDA and UNU Fisheries Training Programme	150,000 USD
The Women's Delegate Fund	Capacity building	Developing countries	Women's Environment and Development Organisation (WEDO)	40,000 USD
Gender Sensitive Climate Change Mitigation and Adaptation in Uganda	Capacity building	Uganda	ICEIDA, GEST, Embassies of Norway and Denmark in Uganda, Ugandan government	26,500 USD

Allocations in 2012

Iceland supported four different projects as a part of its Fast Start Finance allocation in 2012, two of which had also been supported in 2011:

Programme or Project title	Thematic area	Beneficiary Country / Region	Partner(s)	Amount of contribution
Fund for Climate Change Agenda Support	Capacity building	Developing countries	UN Women	150,000 USD
UNFCCC Least Developed Countries Fund	Adaptation	LDCs	UNFCCC / GEF	150,000 USD
The Women's Delegate Fund	Capacity building	Developing countries	Women's Environment and Development Organisation (WEDO)	50,000 USD
Geothermal Energy Initiative in Latin America	Mitigation	Latin America and the Caribbean	IRENA	300,000 USD