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High-level Ministerial Dialogue on Climate Finance on 9 December 2014

Towards an articulated vision for climate finance – how can it support ongoing efforts to scale up funding and investments?

**Statement by Italian Minister Gian Luca Galletti
on behalf of the European Union and its Member States**

Honorable Ministers,

Mr Chairman,

Distinguished delegates,

Ladies and Gentlemen,

On behalf of the EU and its Member States

The global economy will undergo a structural transformation in the years to come and we will have to massively redirect investments towards green infrastructure and activities. This provides a great opportunity for all of us to generate lasting economic growth and at the same time reduce the risks of climate change and move towards low-emissions, climate resilient economies and societies. Acting now is crucial and will help us achieve our goal of keeping the temperature increase below 2°C. Climate finance will play a key role in this regard.

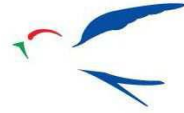
The EU and its Member States warmly welcome the initial resource mobilization to the Green Climate Fund (GCF) amounting to around USD 9.9 billion, of which EU Member States contributed about USD 4.7 billion. We also welcome the contributions by other countries, in particular those put forward by some developing countries, and the 50:50 balance of mitigation and adaptation over time. The GCF will be an important channel for supporting transformational change. The EU and its Member States reaffirm their commitment and support to its activities.

The EU and its Member States further welcome the outcome on the 6th replenishment of the GEF amounting to USD 4,43 billion.

The EU and its Member States are strongly committed to continue their efforts to scale up climate finance and to contribute their fair share of the developed countries' goal to jointly mobilize USD 100 bn per year by 2020 from a wide variety of sources.



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For many years, the EU and its Member States have been mobilizing very significant resources to support climate action. In 2013 alone, the EU and its Member States provided EUR 9.5 billion of climate finance to developing countries. This includes grants and loans from bilateral development banks and financial institutions in EU Member States.

The EU and its Member States will continue to provide public climate finance, which together with public policy measures will be key to catalyzing larger financial flows.

**Statement by Commissioner Arias Cañete
on behalf of the European Union**

Ladies and gentlemen,

We have gone a long way in improving the transparency of climate finance and in mobilizing climate finance within the Convention.

From the EU-budget alone climate finance for 2013 includes EUR 900 million of grant funding. About half of this is provided for adaptation.

In the coming years, we intend to more than double the amount of grant funding for climate action from the EU budget to an average of EUR 2 billion per year. This represents a very significant increase of grant finance.

Clearly, we can only succeed, if all countries contribute to the global fight against climate change. All countries should make efforts to strengthen their climate policies and enabling environments to promote low-emission and climate resilient development.

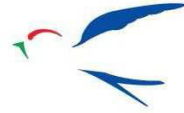
Let me come back to the crucial role of transparency on climate finance flows.

Transparency is central for at least three reasons:

- Firstly, transparency on climate finance builds trust and shows the commitment by each Party to tackle climate change.
- Secondly, information on climate finance flows can be used as an indicator of whether or not investment patterns in our economies move into the right direction.
- Thirdly, the reporting framework under the Convention provides an important basis for all of us to harmonize our reporting regulations. For example, the EU Monitoring Mechanism Regulation has been built on the UNFCCC reporting framework.



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In view of this, the EU and its Member States came to an understanding that private finance flows are mobilized by public finance, or a public intervention, including in the area of policy and regulatory reform, and secondly that they are climate relevant in accordance with criteria used by relevant international organizations such as the OECD and Multilateral Development Banks.

Let me conclude by reassuring you that the European Union is a reliable partner in the fight against climate change. We are serious about integrating climate objectives into our own domestic development policies. And we are serious about supporting developing countries in their fight against climate change.