



**COUNCIL OF  
THE EUROPEAN UNION**



## **Council conclusions on Climate Finance - Fast Start Finance**

*3122nd ECONOMIC and FINANCIAL AFFAIRS Council meeting  
Brussels, 8 November 2011*

The Council adopted the following conclusions:

"The Council

1. REAFFIRMS the collective commitment by developed countries in the Copenhagen Accord and under the Cancún Agreements to provide new and additional resources, approaching USD 30 billion for the period 2010 - 2012. STRESSES the importance of fast-start finance for the swift implementation of the Cancún Agreements.
2. RECALLS the Council conclusions of 4 October 2011 on climate finance; RECALLS the Council conclusions of 17 May 2011 on climate change, confirming the latest figures on fast-start finance (FSF) provided for climate mitigation and adaptation measures in developing countries, and assessing the prospects for scaled-up financing after 2012.
3. In this context, EMPHASISES that despite significant domestic financial challenges and fiscal constraints the EU and its Member States have advanced in the implementation of their FSF during 2011 in line with our commitment in the Copenhagen Accord and under the Cancún Agreements to tackle climate change in developing countries. STRESSES the importance of the EU and its Member States delivering on the fast start commitments in 2012 according with the overall pledge.

# **P R E S S**

4. ENDORSES the final report on finance provided by the EU and its Member States in 2011 for "fast-start" measures to be presented at the UNFCCC Conference of the Parties (COP 17) from 28 November to 9 December 2011 in Durban and the indicative list of individual actions funded. CONFIRMS that to date a total of €4.68 billion has been mobilized by the EU to meet its FSF commitment, with 39% of the total to fund mitigation action, 31% to support adaptation efforts and 12% to support action to reduce deforestation and forest degradation in developing countries. NOTES that, due to the multipurpose nature of activities supported, 18% of the funding can not be strictly categorized.
5. REQUESTS the Commission to update data in the Durban FSF report as appropriate in order to reflect any further information received before the Durban UNFCCC session.
6. EMPHASISES that the lessons learned during the FSF period, notably in areas of effective implementation, partner inclusion and more transparent Monitoring, Reporting and Verification, should be exploited in full when considering future architecture for climate financing. UNDERLINES that the transparency of finance streams constitutes an essential element for information exchange on international climate finance.
7. UNDERLINES the necessity to work in a constructive manner towards the identification of a path for scaling up climate finance from 2013 to 2020 in the context of progress made in international negotiations, meaningful mitigation actions and transparency on implementation with a view to reducing global greenhouse gas emissions so as to keep the increase in global average temperature below 2 °C compared to preindustrial levels.
8. RECOGNISES the need for the EU, together with other developed countries, to continue efforts in climate financing after 2012 in view of preparing to mobilise its fair share of the USD 100 billion per year by 2020, complementing developing countries' own efforts to implement their Cancun pledges as well as their low emission development strategies and national adaptation plans taking into account the respective capabilities of developing countries.
9. WELCOMES the Final Report prepared by international organizations for the G20 Finance Ministers on mobilizing climate financing as a good basis for discussion. AGREES with the conclusion that both public and private flows are indispensable elements of climate finance and CONSIDERS that the large financial flows required to address climate change will, in the long run, be largely private in composition. RECOGNISES also that public policy and finance should play a crucial role both to address needs that private flows can only partly meet, like adaptation financing in LDCs, and to catalyze high levels of private investments for mitigation and adaptation activities. In this regard, RECOGNIZES the important role that Multilateral Development Banks and carbon market instruments can play in leveraging greater private finance for climate change. INVITES Parties to IMO /ICAO to consider within IMO and ICAO the work undertaken by the IMF and the World Bank on market-based instruments in aviation and maritime international transportation. Carbon pricing is a potential source of revenues that would also generate the price signal necessary to efficiently achieve emissions reduction from these sectors. CALLS on the COP Presidency to seek agreement on a process for considering these conclusions in an open and transparent manner to secure progress in the international negotiations.
10. RECOGNISES the useful work done by the Transitional Committee for the design of the Green Climate Fund (GCF). WELCOMES the support of TC members."