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SLIDES: The Green Climate Fund: Challenges and Opportunities: Some Thoughts on How the Green Climate Fund Could Close the Energy Justice Gap

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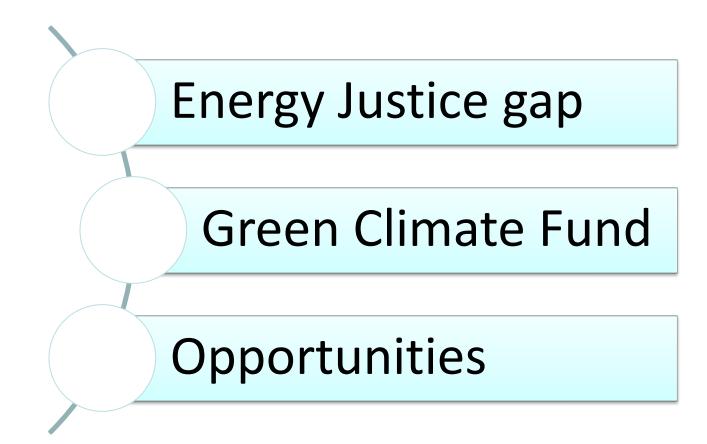


The Green Climate Fund: Challenges and Opportunities

Some thoughts on how the Green Climate Fund could close the Energy Justice gap

Martin Hiller, Energy Justice conference Boulder, 17 Sep 2012

Overview





- The global climate negotiations
- Rio 1992
- UN Framework Convention on Climate Change (UNFCCC)
- Kyoto Protocol 1997 (ratified in 2005)
- Copenhagen COP 2009
- Green Climate Fund



- 'the stabilization of greenhouse gas concentrations at a level that would prevent dangerous anthropogenic interference with the climate system.
- Such a level should be achieved within a time frame sufficient to <u>allow ecosystems to adapt</u> naturally to climate change, to ensure that <u>food production</u> is not threatened, and to <u>enable</u> <u>economic development</u> to proceed in a sustainable manner.'





Negotiations – two-pronged approach

- Strong focus on emissions reductions
- Main topic because they concern ecological limits
- Demand a radical change of our energy system
- Industrialized countries biggest energy users in the limelight
- Second focus on adaptation dealing with the consequences and impacts



- LDCs Least Developed Countries
- SIDS Small Island Development States
- They have smallest energy use, lowest emissions, and least defense against climate change impacts
- They focus on global emissions because of impacts
- Their voice distinctive in negotiations, both on mitigation and on adaptation
- Their influence remains small



- Emission reduction efforts focus on those countries with high energy use
- Adaptation concerns a broad range of issues, relevant for all countries
- But energy is critical for development of LDCs!
- Not just the climate talks even the Millennium Development Goals don't mention energy
- Recognition of importance of energy for development in Johannesburg 2002 (Rio +10)



People without access to modern energy services

- Development opportunities reduced
- No emissions not as important for funding
- Acquisition of new technology is a lengthy process
- Major obstacles:
 - Attracting investment
 - Distribution to remote areas
 - Maintaining infrastructure
 - Providing services at low cost
 - Social cost of technology change



Technology change





renewable energy & energy efficiency partnership

- Copenhagen Accord 2009 now UNFCCC financial instrument
- US\$ 30bn fast start money World Bank as interim trustee
- Period ends 2012 prolonged
- Funding must be 'additional' to existing development aid



Green Climate Fund (2)

- Developed in parallel to fast start
- Established in Cancun 2010, final agreement in Durban 2011
- US\$ 100bn per year by 2020, starting 2013 and growing
- For developing countries only
- Support the 'paradigm shift towards low-emission and climate resilient development' – mitigation and adaptation
- Board of 24 members 12/12 industrial/developing countries (plus 24 alternates)
- South Africa and Australia co-chairs



- In short: public finance mobilising private investment
- Public finance OECD governments and their national funding agencies
- Development banks and multilateral institutions
- Carbon markets already funding the Adaptation Fund
- Private capital harnessed through a Private Sector Facility



How will the GCF disburse funding?



Tasks in project funding

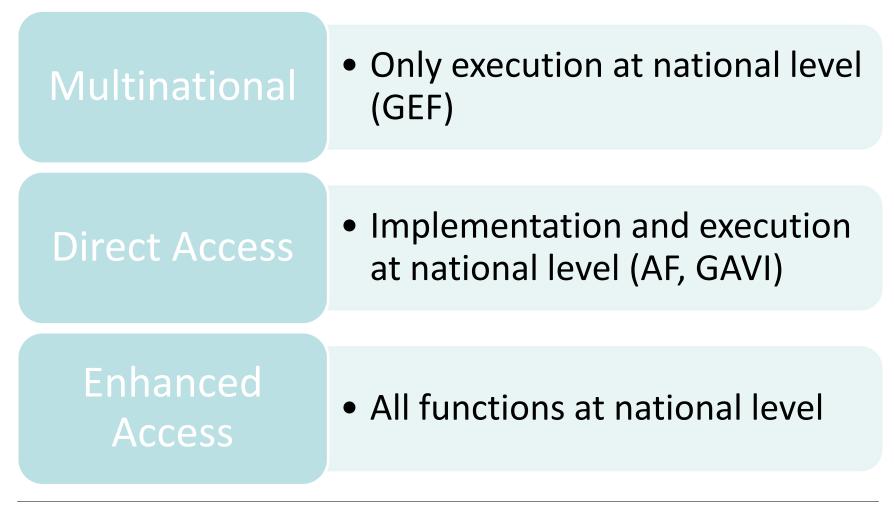
- Strategies
- Review proposals
- Funding decision
- Accountable to funder

- Project identification +preparation
- Approval
- Evaluation
- Accountable to manager

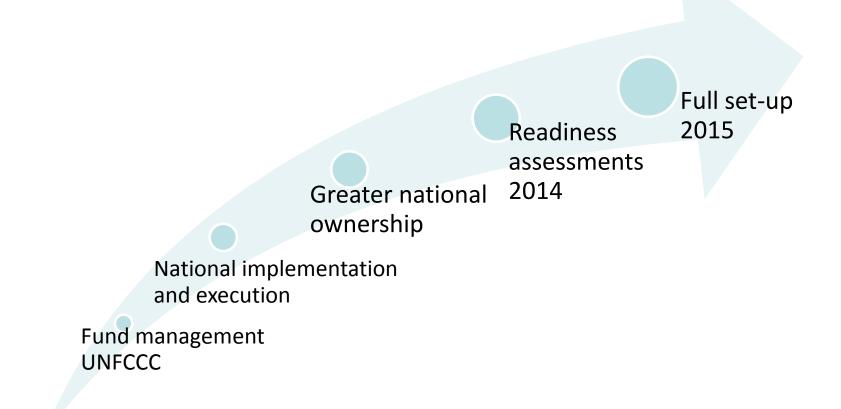
- Day-to-day project activities
- Procurement and contracting
- Accountable to implementer



Comparing funding models







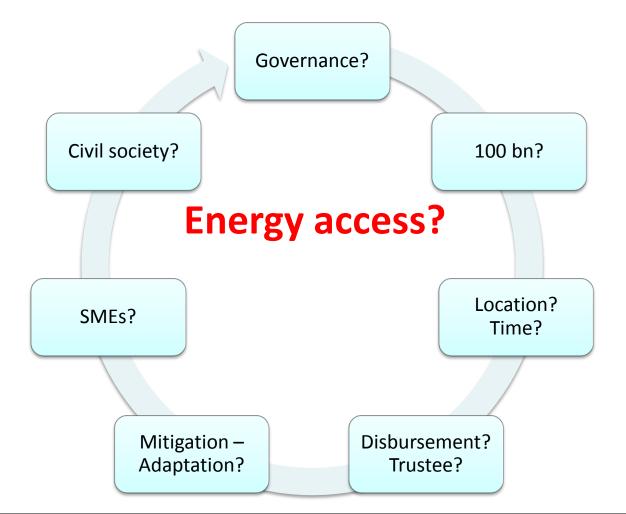


renewable energy

& energy

efficiency partnership

Challenges

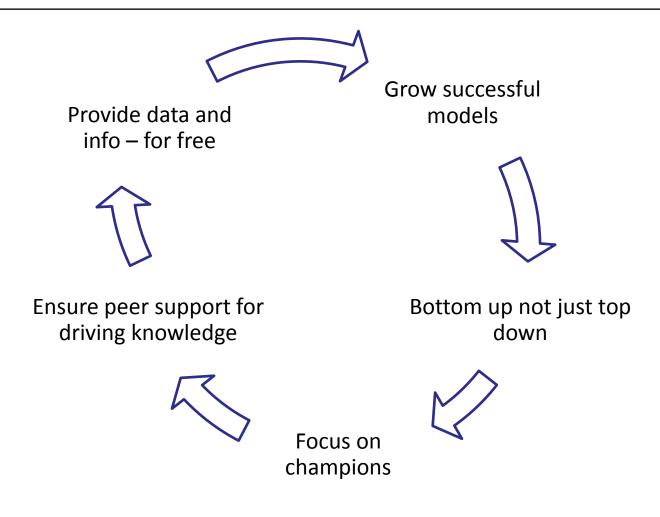




- SE4A has brought the issue to the fore
- Country-wide solutions possible
- NAMAs Nationally Appropriate Mitigation Actions on technology and business models for energy access – e.g. cook stoves in Togo
- GCF small grants facility could be a further possibility



REEP's wish list to GCF







renewable energy & energy efficiency partnership



Thank you!

www.reeep.org www.reegle.info



