Report on the Commission White Paper: 'Adapting to climate change: towards a European framework for action'

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The Council adopted the following conclusions on the financing of policies to deal with climate change, and agreed to submit them to the European Council, with a view to its spring meeting (25 and 26 March 2010):

- it welcomes the fact that Parties accounting for 80% of global emissions from energy use have associated themselves with the Copenhagen Accord and that a significant number of Parties have entered their mitigation commitments and actions to the Appendix. This Accord agrees on providing a scaling up of funding to developing countries to support enhanced action on adaptation, mitigation – including REDD-plus – technology and capacity building, inter alia for the establishment of efficient systems for measurement, reporting and verification, the development of low emission development strategies and nationally appropriate mitigation actions and readiness to use market mechanisms. The implications of the Copenhagen Accord for the EU´s position on climate financing will need to be studied further;
- the Council recalls that **developed countries have committed themselves to providing resources approaching USD 30 billion in the period 2010-2012**, with a balanced allocation between adaptation and mitigation including REDD-plus and investments through international institutions, and with a special emphasis on the most vulnerable and least developed countries. It stresses the need urgently to deploy this fast-start funding to address both the need for immediate adaptation and mitigation action and lay the foundations for effective action in the medium and longer term and avoid delaying ambitious action;
- the Council reaffirms the **EU and Member States' commitment to contributeEUR 2.4 billion annually over the period 2010-2012** and calls on other parties to announce their fast start contributions. It stresses that the EU and Member States are ready to present a preliminary state of play on these commitments at the UNFCCC session in Bonn (31 May – 11 June 2010) and submit EU-coordinated reports on the implementation of this commitment at the Cancún Climate Conference and thereafter on an annual basis. The Council encourages other contributors to do the same;
- it also recalls developed countries' commitment in the context of meaningful mitigation actions of developing countries, to a goal of mobilising jointly USD 100 billion a year by 2020, coming from both public and private sources, to assist developing countries in fighting climate change. The Council welcomes the establishment by the United Nations Secretary General of an **Advisory Group on Climate Change Financing** to develop practical proposals on how to scale up long-term financing for mitigation and adaptation strategies in developing countries from public as well as private sources including alternative sources of finance towards meeting this goal, and to provide a consolidated overview of international sources for financing climate-related investment in developing countries which involve all relevant actors;
- the Council expresses interest in a report on its work as soon as possible with a view to integrating its findings in the design of the future financial architecture for climate change. It underlines that the potential of innovative sources of finance and of market-based instruments in particular, including carbon markets, as well as leverage of private finance through public finance should be taken into account. The EU is ready to support the Advisory Group’s work by providing inputs on potential sources of revenue. The Council stresses the need to assist developing countries in the most effective manner and to start a transparent process for establishing the basis for the Copenhagen

Green Climate Fund, drawing on experiences and lessons learnt from existing funds and international financial institutions, in particular regarding the need to ensure the cost effective deployment of increased financial flows.

Lastly, the Council (Ecofin) is ready to contribute in detail on practical aspects of the financing arrangements and institutions required by the Copenhagen Accord including the abovementioned elements. The EFC, EPC and the Friends of the Presidency working group are invited to work further on these issues in cooperation with the other relevant EU actors and entities.