

UK's DEPARTMENT FOR INTERNATIONAL DEVELOPMENT ON CLIMATE FINANCE

The importance of tackling climate change

- The World Bank has estimated that 100 million people are at risk of being pushed into extreme poverty by rising temperatures and increasing floods by 2030.
- A historic new global agreement was struck at the United Nations conference on climate change in Paris in 2015. As part of this agreement, developed nations including the UK re-confirmed their commitment to jointly mobilise \$100 billion per year by 2020 from public and private sources to help the poorest and most vulnerable people in the world cope with the increasing risk from droughts and floods, and gain access to clean energy.
- Upholding our international commitments on UK Aid helps to tackle the global challenges of our time. Disasters, conflicts and diseases don't pay attention to national borders. The UK Prime Minister has said that the UK will continue to play its part in the international effort against climate change.

The UK's contribution to climate finance

- The UK has committed to increasing climate finance by at least 50% to at least £5.8 billion between 2016 and 2021(including at least £1.76 billion in 2020).
- The International Climate Fund seeks to help the world's poorest communities build their resilience to the effects of climate change, address deforestation, promote greener growth and build clean, reliable energy. The UK has also committed £720m to the Green Climate Fund, making us one of the top five largest contributors in the world. The Green Climate Fund is a key new vehicle for implementing the Paris Agreement and helping developing countries adapt to climate change and follow low-carbon development paths. This is part of the UK's commitment to meeting the target of 0.7% of GNI spent on overseas development assistance.
- DFID's support to climate funds has delivered real benefits in Bangladesh.
 - Over 27.5 million people with access to early warning systems for floods and cyclones – the UK attributable share of this.
 - More than 3 million people have benefitted from community level risk reduction programmes and 22 million students have benefitted from the inclusion of 'disaster risk reduction' related information in school curriculums and text books.
 - 31 cyclone shelters (also acting as schools) have been constructed with UK funding, providing vital safety for more than 50,000 people in the coastal zone).
 - Improved and downscaled climate modelling for Bangladesh which has been used in subsequent planning processes, including the government's Delta Plan for the Delta region of the country.
 - 249 solar irrigation pumps have been installed with UK funds covering 17,850 acres of land serving 6,062 farmers.

Transparency and accountability in the disbursement chain

- Participatory monitoring is spelled out in the Green Climate Fund, as is the input of stakeholders to the Board and the Independent Integrity Unit. And there is a continued need to develop and

further improve fiduciary principals and standards and to guard against fraud and prohibited practices.

- Donors want to support climate vulnerable countries, many of which are also poorer countries, but international climate funds come with international standards on transparency and accountability, which vulnerable countries often struggle to meet.

What are we doing about it?

- The DFID supported PROKAS Climate Governance Project works with government and with community networks in order to ensure government transparency on climate funds. Ultimately, this work aims to ensure that communities get the resources they need to address the effects of climate change. For example, PROKAS supports the Government of Bangladesh to ensure government transparency on climate funds including developing a comprehensive climate web portal and integrated Aid Information Management System. PROKAS also supports community groups and networks monitoring implementation and advocating for improvements. In addition to bringing key actors from the government, civil society and private sector together, PROKAS supports partners to develop their capacity to understand the power and interests around this issue and how change happens.
- We provide support to Transparency International Bangladesh and wider debates on accountability and transparency.

The UK is playing its part domestically

- In line with the Climate Change Act 2008 we have set the UK's fifth domestic carbon budget in law at a 57% reduction on a 1990 baseline. These budgets will help us meet the UK's legally binding target of an at least 80% reduction in greenhouse gas emissions by 2050.
- The UK low-carbon sector is worth over £46 billion across more than 90,000 businesses. It employs more than 238,500 full time workers directly and indirectly supports many more.
- London is a leader of centre of excellence on green finance. Green finance initiatives are also a good way for the UK to assist developing economies to achieve their emission reduction commitments by sharing our expertise on financial services and policy making.
- Aid transparency. The UK has a strong commitment and track record of aid transparency, in line with IATI principles.

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