

## India, Australia to co-lead talks on climate finance at COP27

16 November 2022



Union minister for environment, forest & climate change, Bhupender Yadav at the UN Climate Summit, COP27. (AP)

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India and Australia will co-lead ministerial consultations on key outstanding issues for climate finance over the next three days at UN climate conference, COP27 in Sharm el-Sheikh, Egypt, according to members of the Indian delegation.

Climate finance is one of the main issues of contention at COP27, cutting across finance for mitigation, adaptation and loss and damage. India is also among the countries that have highlighted the gap in delivery of climate finance from developed nations. It has also sought a multilaterally agreed definition of climate finance.

In an interview to HT on November 4, Union minister for environment, forest & climate change, Bhupender Yadav said India expects a multilaterally agreed definition of climate finance at COP27 as the country doesn't recognise loans to be climate finance as they push poor and developing countries further into debt. The new collective quantified goal for the post-2025 period needs to be ambitious and concessional, India said intervening in a high level ministerial dialogue on climate finance at COP 27 on Monday.

"We need a mobilisation target at grant/concessional terms. We require an ambitious flow of financial resources from various sources- public and private with the developed countries playing a pivotal role in incentivising flows to the developing countries so that finance-the key means of implementation- is at grant/concessional rates. The Nationally Determined Contributions (NDCs) and the needs determination reports could be a good basis to estimate the requirement," Yadav said in his statement at the ministerial on climate finance on Monday.

The issue of climate finance is critical at COP27 because the unfulfilled commitment of delivering 100 billion USD per year 2020 onwards by developed nations has eroded the trust of developing countries. There are several estimates of climate finance. The Organisation for Economic Co-operation and Development (OECD) estimates the flows to be USD 83.3 billion in 2020 and USD 79.9 billion in 2018, while Oxfam estimates the mobilised amount to be USD 19-22.5 billion per year in 2017-18. Other estimates from the United Nations Framework Convention on Climate Change, are USD 45.4 billion in 2017 and USD 51.8 billion in 2018, according to the statement by India.

At an informal stocktaking plenary on Monday, the Egyptian presidency called on parties to shift gears and complement the technical discussions with more political engagement. The COP president expected the majority of the work to be concluded by Wednesday, hoping that only a few issues will remain to be resolved by ministers.

Meanwhile, discussions on finance matters remain deadlocked, including that on loss and damage funding, according to a bulletin by the Third World Network, an advocacy organisation on North South affairs which is an observer of the negotiations.

At the climate finance dialogue, Oxfam, which has been tracking progress mobilising USD 100 billion per year, said that developed countries have failed to deliver much needed climate finance to developing countries, and communities. “We know money is not a problem. We have seen how rich nations have mobilised over USD 15 trillion to respond to the COVID pandemic. That is 150 times the USD 100bn goal. Developed countries are saying they have reached USD 83.3 billion in 2020, of which 68.3 billion has been public finance. However, it’s not all as it seems. Oxfam estimates the real value, that is climate specific net assistance, to be between USD 21 to 24.5 billion. This is a third of what developed countries are reporting. To make matters worse, 70% of the public finance we estimate to be in the form of loans, pushing developing countries further into debt” TWN quoted the Oxfam representative.

The mitigation work text will be co-led by South Africa and Denmark; adaptation by Maldives and Spain; climate finance by India and Australia; Loss and Damage by Chile and Germany and carbon markets by Singapore and Norway.

Source: <https://www.hindustantimes.com/india-news/india-australia-to-co-lead-talks-on-climate-finance-at-cop27-101668612884668.html>