



## MEDIA RELEASE

### Not enough meat in the EU finance report

**FOR IMMEDIATE RELEASE** – [Bonn, 3 June 2010] - The EU has failed to provide clarity about where the €7.2 billion [1] pledged at Copenhagen for immediate climate finance needs in developing countries will come from.

Today in Bonn, where representatives from all corners of the globe are attending the first full session of climate negotiations since Copenhagen, the EU released a fast-start finance update. CAN Europe [2] and partner organisations welcome the EU's efforts to get desperately needed money out to the world's poorest countries, many of which are already suffering the effects of climate change. However, the lack of transparency in the EU's latest progress report could undermine trust at a very delicate stage of the talks.

"This unwillingness to be clear about the sources of their fast start finance is only corroborating the grape vine, which contends that a great majority in the EU intend to recycle their ODA commitments and baptize it climate finance," asserted Augustine B. Njamnshi of the Pan-African Climate Justice Alliance. "This lack of clarity is frustrating developing countries, especially those who quickly associated with the Copenhagen Accord with the hope of getting something from the package."

EU leaders this week in Bonn insisted the money pledged would be "fresh," language that does not exclude previously committed development aid from being double counted as climate finance. The lack of country-by-country detail in today's report deepens green and development groups' concerns that the commitment made in Copenhagen that funds would be new and additional is not being kept. In addition, there is not enough detail on how the money will be divided between projects.

"Helping poor countries adapt to climate change impacts *and* develop in a low carbon way are both equally important," said Tim Gore, Oxfam International EU Climate Adviser. "However, about twice as much has been allocated for low carbon development rather than adaptation, which means that at the moment, the bulk of the money is more likely to go to larger emerging economies instead of the world's poorest."

Green and development groups are concerned that the EU will raid aid budgets, diverting resources promised to alleviate poverty in developing countries. CAN Europe insists that it is essential for the EU to be open and honest about commitments moving forward, including a country-by-country analysis of who will be giving how much and by when. Earlier in the year EU officials promised such details, but they have not been forthcoming.

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#### Notes:

[1] €7.2 billion represents the EU's contribution to the \$30 billion committed by rich countries in Copenhagen to help poor countries curb their emissions and adapt to a changing climate over the next three years.

[2] Climate Action Network (CAN) Europe is a coalition of over 130 citizens' organisations in Europe working to stop the most dangerous effects of climate change.