



Tracking Climate Finance

Current global scenario & the required estimates (to maintain 1.5°C)

Climate change threatens

economies, settlements, food security, and more, through impacts like rising temperatures, sea level rise, and extreme weather events.



However,



Climate action offers opportunities.

Shifting to a green economy could yield an economic gain of **\$26 trillion** through 2030 compared with business-as-usual.

(Source: UN)

Why Climate Finance?

Climate finance refers to local, national, or transnational financing that supports mitigation and adaptation measures to address climate change.

(Source: UNFCCC)

Mitigation



Climate finance is needed for mitigation, as large-scale investments are required to reduce emissions.

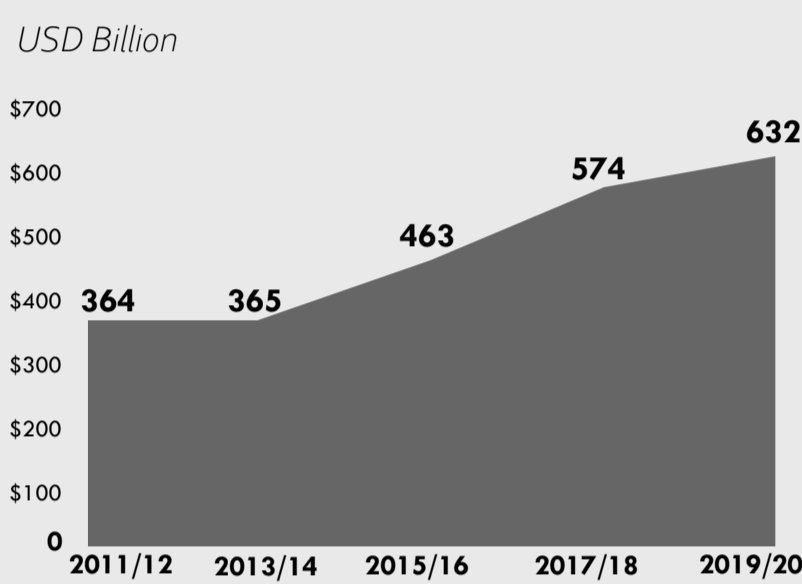
Adaptation



Climate finance is needed for adaptation to reduce the impacts of a changing climate.

Current Global Climate Finance (till 2020)

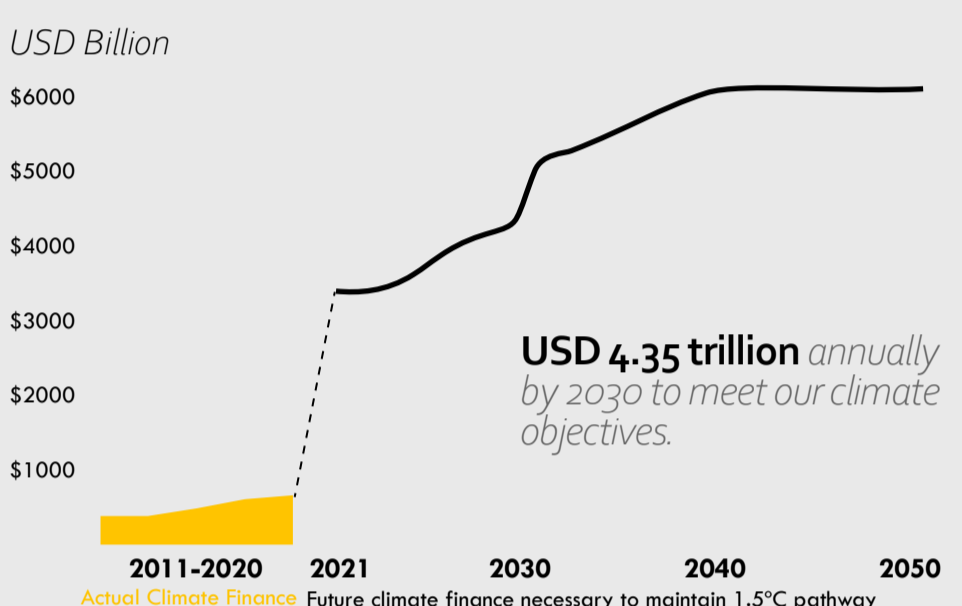
(USD Billion)



(Source: CPI)

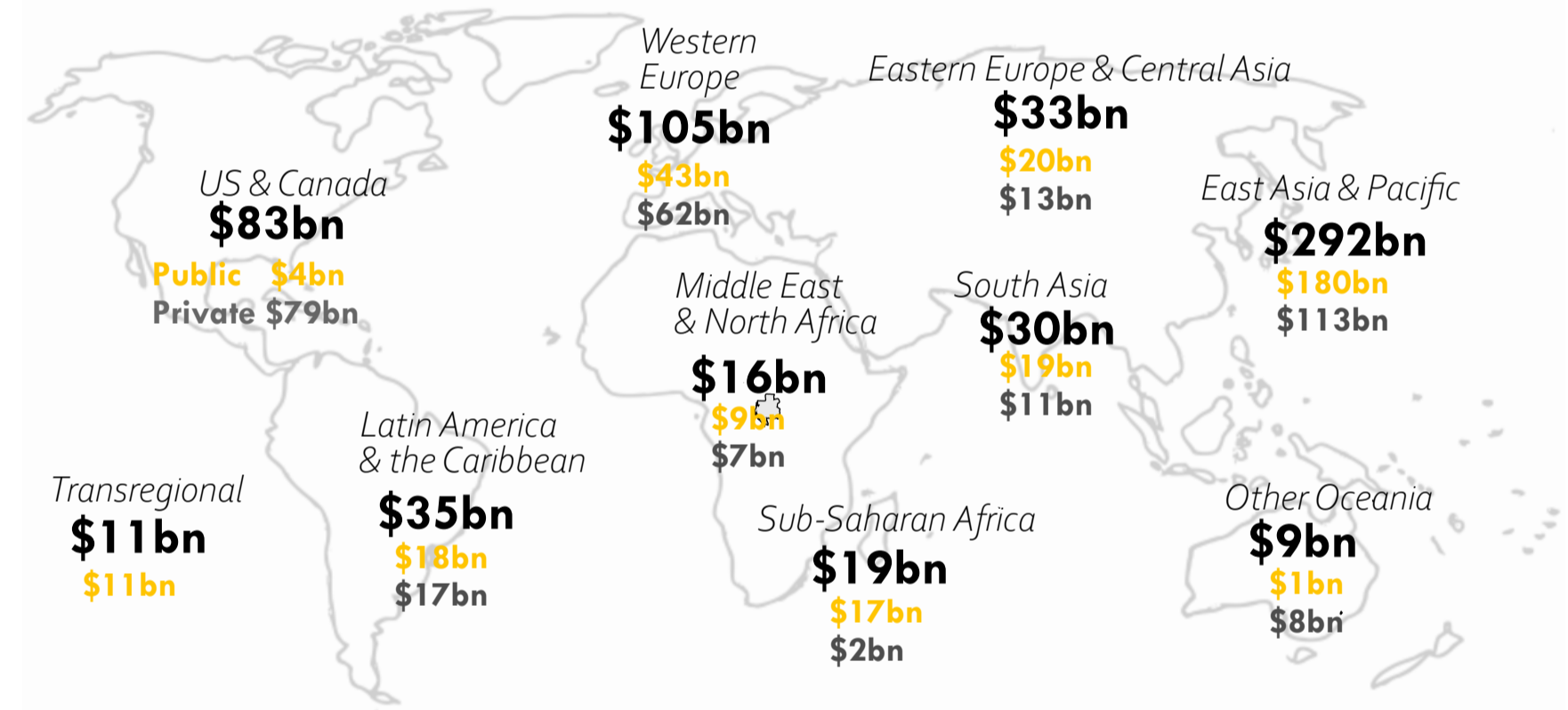
Global Climate Finance Estimates (to maintain 1.5°C pathway)

(USD Billion)



Destination Region of Climate Finance, by Public/Private

(USD Billion)



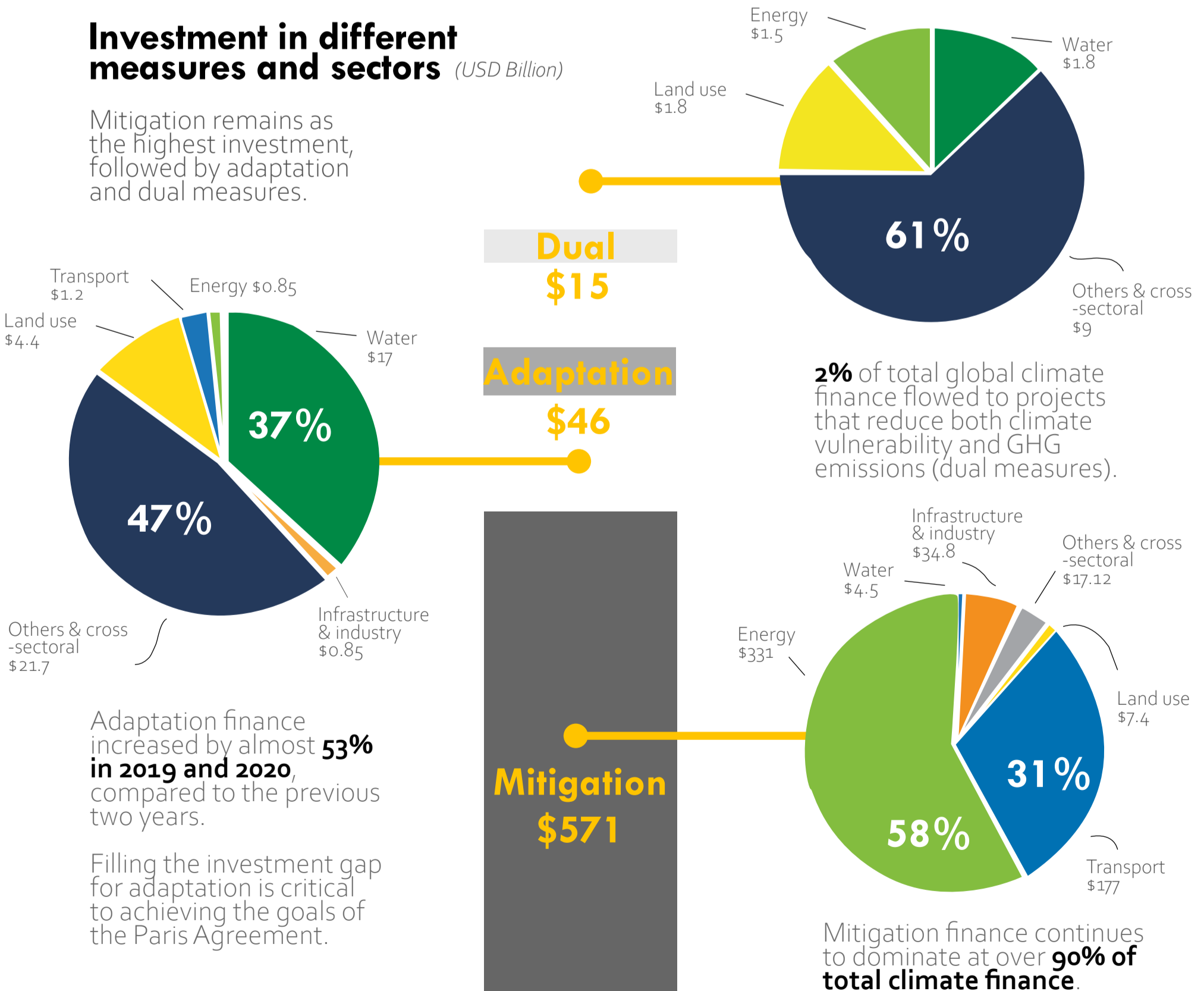
A majority of climate finance flowed to East Asia & Pacific, Western Europe, and the United States & Canada, while only a quarter went to other regions. East Asia & Pacific remained the primary destination, accounting for **46%** of global flows, up by **USD 43 billion** from 2017/2018.

(Source: CPI)

Investment in different measures and sectors

(USD Billion)

Mitigation remains as the highest investment, followed by adaptation and dual measures.



(Source: CPI)

Towards Climate Aligned Finance

Measuring primary investment in climate mitigation and adaptation is important, but only provides part of the picture.

Achieving net zero will require all public and private actors to set strategic targets, and integrate these targets in their day-to-day operations and due diligence. This will enable greater investment flows, and accelerate the transition to a low-carbon future.

(Source: CPI)

For more information, visit our newsletter <https://bit.ly/3kBUUcX>