

February 4, 2021

## **The Biden-Harris Initial International Climate Finance Commitment**

Taking bold and ambitious climate action must be a priority for the Biden administration. In order to fulfill President Biden's sweeping vision for a climate-centered foreign policy, we believe that the new administration should immediately pledge and support appropriation of at least \$8 billion to the Green Climate Fund (GCF).

As the world's largest historical greenhouse gas emitter, it is both a legal obligation and a moral imperative for the United States to provide finance for developing countries for climate action that responds to local needs, respects rights, and facilitates a just and equitable transition away from fossil fuels. After four years of climate denial, and a history of little to no action, the United States must step up and do its fair share to address climate change, both by reducing its own emissions and providing grant-based funds to support poorer countries.

The magnitude of the climate crisis demands massive injections of climate finance from rich countries. A critical starting point is for the United States to re-establish support for the Green Climate Fund (GCF). The GCF is the world's biggest multilateral climate fund, at over \$20 billion pledged thus far, and one of the most important channels of climate finance for developing countries. It directly supports implementation of the Paris Agreement, providing essential resources for mitigation and adaptation. To date, it has allocated \$7.3 billion for 159 projects in 117 countries. The GCF Board has balanced representation of developed and developing countries, giving it a more equitable governance structure than traditional development finance institutions. It also engages a wider range of entities, building much-needed capacities in developing country institutions to manage climate programs. The GCF also has strong environmental and social safeguards, a Gender Policy, and an Indigenous Peoples Policy, intended to ensure that projects promote positive outcomes for people and the environment.

In 2014, the United States pledged \$3 billion to the GCF, but only transferred \$1 billion before President Trump withdrew support for the Fund. The US also did not pledge funding for the first replenishment of the GCF in 2019. **We, the undersigned organizations, call on the new administration to immediately pledge and support appropriation of at least \$8 billion to the GCF:** \$2 billion to fulfill the first pledge; and \$6 billion to bring the US in step with other key contributors who doubled their contributions in the first replenishment.

In fulfilling its financial obligations to support developing countries that are already adversely affected by climate change and stand to suffer most if the world fails to keep warming below 1.5°C, the United States has a duty to ensure that climate finance supports the most vulnerable communities and avoids projects that further entrench fossil fuel infrastructure, such as carbon capture and storage.

**We also call on the Biden Administration to provide \$400 million over four years to the Adaptation Fund.** Support for the Adaptation Fund, which also serves the Paris Agreement,

would be an important political signal of US engagement in global climate efforts. The Adaptation Fund pioneered direct access for country-driven programming, serves as a platform for piloting projects that can be scaled up in the GCF, and is one of the quickest climate funds at delivering funding to communities in need.

In terms of the overall make-up of the U.S. climate pledge, we remind you that the World Bank's Climate Investment Funds (CIFs) were [designed to sunset](#) once the GCF was operationalized, with its Governance document stating that the CIFs "will take necessary steps to conclude its operations once a new financial architecture is effective." While we support a strong and robust framework under the CIFs for an equitable "sunset" process that fulfills existing obligations to developing countries, we urge you to pivot away from provision of new funds for the CIFs and similar initiatives under the multilateral development banks and to commit to redirecting these monies toward the GCF and Adaptation Fund.

The funding requests above do not represent a US fair share in finance; however, it is an essential and immediate starting point for the US to build on in the future.<sup>1</sup>

#### Signatories:

1. 350.org
2. 350 Silicon Valley
3. ActionAid USA
4. Call to Action Colorado
5. Catholic Network US
6. Center for Biological Diversity
7. Center for International Environmental Law (CIEL)
8. Climate Law & Policy Project
9. Colorado Businesses for a Livable Climate
10. Colorado Democratic Party Energy & Environment Initiative
11. Earth Action, Inc.
12. EcoEquity
13. Education, Economics, Environmental, Climate and Health Organization (EEEECHO)
14. EFCWest
15. FCNL
16. Food and Water Watch
17. Friends of the Earth US
18. GASP
19. Greenpeace USA
20. Gullah/Geechee Sea Island Coalition
21. Leadership Conference of Women Religious
22. Maryknoll Office for Global Concerns
23. Mennonite Central Committee U.S. Washington Office

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<sup>1</sup> Funding for these climate finance institutions should be additional and should not come at the expense of other effective humanitarian and development assistance, which work together to serve the common goal of building a just and sustainable world

24. Natural Resources Defense Council
25. North Carolina Council of Churches
26. North Carolina Interfaith Power & Light
27. Nuclear Information and Resource Service
28. Oil Change International
29. Organized Uplifting Resources and Strategies
30. Oxfam America
31. Physicians for Social Responsibility Pennsylvania
32. Pivot Point
33. Project Blueprint
34. RapidShift Network
35. Sierra Club
36. Sisters of Mercy of the Americas Justice Team
37. Sunrise Movement
38. SustainUS
39. The Oakland Institute
40. The United Methodist Church – General Board of Church and Society
41. Union of Concerned Scientists
42. Unitarian Universalist Service Committee (UUSC)
43. Utah Moms for Clean Air
44. Venner Consulting
45. Women's Earth and Climate Action Network (WECAN)
46. Zero Hour