

Financing Climate Action in Regions and Cities

 Wednesday, 10 November 2021  13:00 – 15:00 (GMT) / 14:00-16:00 (CET)

 OECD Virtual Pavilion: <https://oecd-events.org/cop26/>

The event will have English, French, and Italian interpretation.

Rationale and Objectives

Given the urgency of addressing the climate crisis and the push towards a post-pandemic green recovery, it is more critical than ever for regions and cities to align their budgets with climate objectives and to increase climate-related expenditure and investment. A vast amount of financial resources is required to do so, and in the context of increased pressure placed on subnational expenditure by the pandemic, it is necessary to mobilise additional sources of funding for climate action, from both public and private sources.

The importance of this has been further highlighted by the UK presidency of the COP26, which has made “unleashing the trillions in private and public sector finance required to secure global net-zero” one of its four goals for the upcoming conference. Although the increased focus on mobilising all available sources of finance for climate action is certainly necessary, it is important to note the considerable difficulties subnational governments face in accessing these resources. Limited technical and administrative capacities, complex regulatory environments, and convoluted financing landscapes hinder subnational governments in achieving their climate ambitions and their potential as climate leaders.

The OECD and The Cities Climate Finance Leadership Alliance (The Alliance) are joining forces to facilitate an event that will convene national and subnational policy-makers, climate and public finance experts, and private sector stakeholders from across the globe, and leverage their combined expertise in subnational climate finance.

Participants will discuss the instruments available at the subnational level, beginning from the budgetary stage up until climate finance tracking and accountability practices, and generate actionable policy advice that enhances the capacity of subnational actors for climate action.

14:00 – 14:05

Welcome and Introduction

- Dorothée Allain-Dupré – Head of Division, Regional Development and Multi-Level Governance, CFE, OECD
 - *Welcome to the participants and introduction of the agenda.*
- Bella Tonkonogy – Associate Director, Climate Policy Initiative (CPI)
 - *Rationale and context of the event in relation to the UK's COP26 objectives.*
 - *Synergies between the OECD and CPI's work on subnational climate finance.*

14:05 – 15:00

Session 1: Aligning Subnational Budgets with Climate Objectives

This session will discuss the linkages between green budgeting, public funding, and private resource mobilisation for climate action at the subnational level, and how subnational governments can use the tools of budgetary policy-making to achieve environmental and climate goals. The session will start with a brief presentation from the OECD on the state of play of subnational green budgeting among OECD and EU countries and the importance of this approach for enhancing subnational climate action and a green recovery. The session will then proceed with a panel discussion on the challenges faced by subnational governments to scale up the alignment of public finances with climate objectives and concrete policy recommendations on how to utilise green budgeting to mobilise additional public and private climate finance.

- *Session moderator: Kate Power, Junior Policy Analyst, OECD*
- Introductory presentation:
 - Isabelle Chatry, Head of Unit, Regional Development and Multi-level Governance Division, CFE OECD
 - *State of play of subnational green budgeting among OECD and EU countries.*
- Round-table discussion and Q&A
 - Gildas Lebret – Deputy General Manager, Region of Brittany (France)
 - Massimiliano De Martin – Deputy Mayor for Private Housing and Environment, City of Venice (Italy)
 - Catrin Robertsen – Project Manager, C40 (Norway)
 - Brigid Shea – Travis County Commissioner, Austin, Texas, USA and Alliance City Ambassador (United States)
 - Lin O'Grady – Deputy Head, Sustainable Infrastructure Group, EBRD (TBC)

15:00– 15:55

Session 2: Subnational Climate Finance Tracking

This session builds on the previous one by delving deeper into the importance of understanding the size and type of financial flows being channelled towards climate action, and ensuring these flows align with global climate agreements. The session will open with an Alliance presentation on the results of their recently released State of Cities Climate Finance Report and the rationale for this field of work in the context of the UK's COP26 objective to mobilise additional public and private climate finance. The session will then proceed with a panel discussion about the importance of climate finance tracking to achieve the Paris Agreement commitments, as well as, policy recommendations for how to leverage the evidence collected from climate finance tracking to reorient existing finance flows and mobilise additional private and public finance for climate action.

- *Session Moderator: Kate Power, Junior Policy Analyst, OECD*
- **Introductory Presentation:**
 - Priscilla Negreiros, Manager, Cities Climate Finance Leadership Alliance
 - *State of Cities Climate Finance Report*
- **Roundtable and Q&A:**
 - Tiza Mafira – Associate Director, Climate Policy Initiative (Indonesia)
 - Dhruva Purkayastha – India Director, Climate Policy Initiative (India)
 - Luana Betti – Urban Economics Coordinator, World Resources Institute (WRI) Brazil Ross Centre for Sustainable Cities (Brazil)
 - Isabelle Chatry – Head of Unit, Regional Development and Multi-level Governance Division, CFE, OECD
 - Myriam Boveda – Team Leader “Sustainable Growth”, European Commission

15:55 – 16:00

Final Takeaways and Concluding Remarks

- Bella Tonkonogy – Associate Director, Climate Policy Initiative
- Dorothee Allain-Dupré – Head of Division, Regional Development and Multi-level Governance Division, CFE, OECD