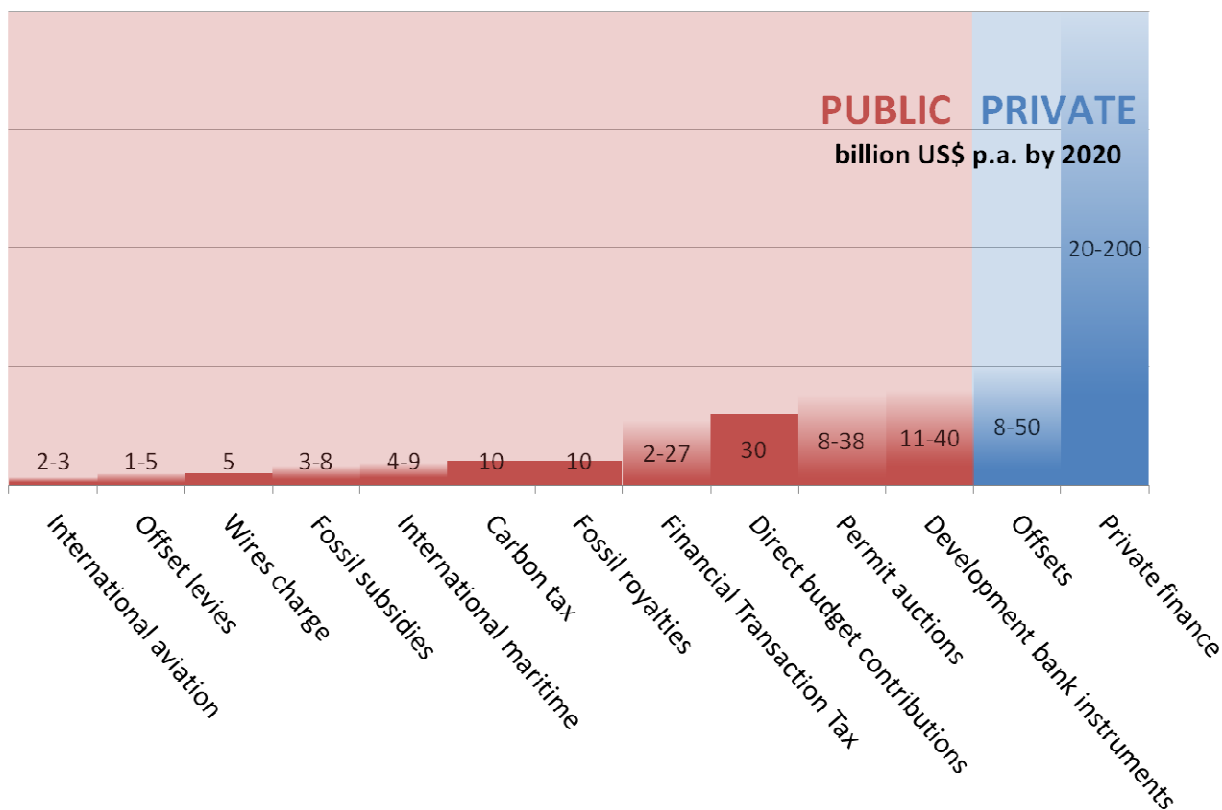


AGF Report Fact Sheet

The message from the U.N. high-level Advisory Group on climate change Financing (AGF) is clear: **generating \$100 billion in climate finance by 2020 is eminently possible, if only we muster the political will to put the right incentives in place.** The most important incentive is a price of \$20-25 per ton of CO₂e in all major emitting countries by 2020.

Transparent and accountable public finance will be necessary to prime the pump for private financial flows. The most immediate such sources are direct budget contributions, repurposing fossil fuel subsidies and royalties, and fees on international aviation and maritime fuels. Similarly, carbon markets have enormous potential to free significant sums.

Ultimately, the only truly scalable and sustainable source of finance is the private sector. The task is nothing less than to revolutionize a global \$5-trillion-a-year fossil-fuel-based energy sector and transition to a cleaner future. This can only be achieved by rechanneling market forces, but governments must take the first step and guide markets in the right direction.



Source: AGF report, middle carbon price scenario (\$25/tCO₂e in 2020). Ranges are for the middle price scenario and span net and gross flows, where applicable. Note that some financing options may be mutually exclusive (e.g., carbon tax and permit auctions).