



Institute for Energy Economics
and Financial Analysis

COP30 finance outcomes

Expectation, outcome, and the road ahead

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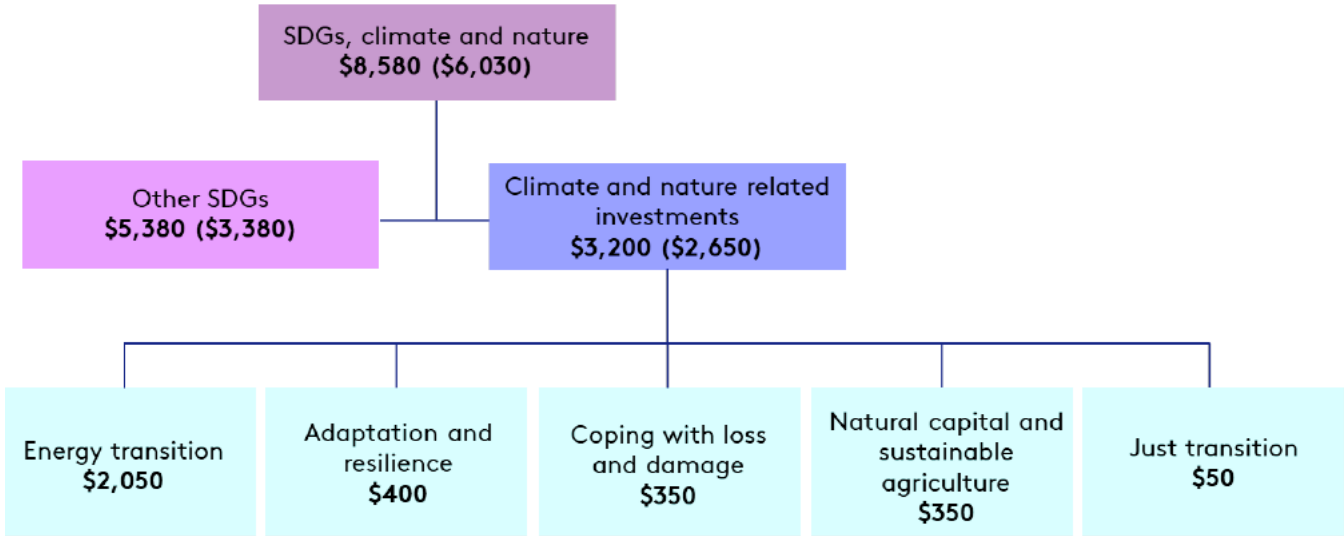




Key finance expectations from COP30

- A credible plan to meet the new \$1.3 trillion climate finance goal
- A strong, new adaptation finance commitment
- Launch of new climate finance vehicles, including forest preservation and Just Transition
- Reform of multilateral development banks (MDBs) and other international finance architecture
- Transparency, accountability and institutional reform for climate finance flows

The investment imperative for emerging market and developing economies (EMDEs) other than China for 2035

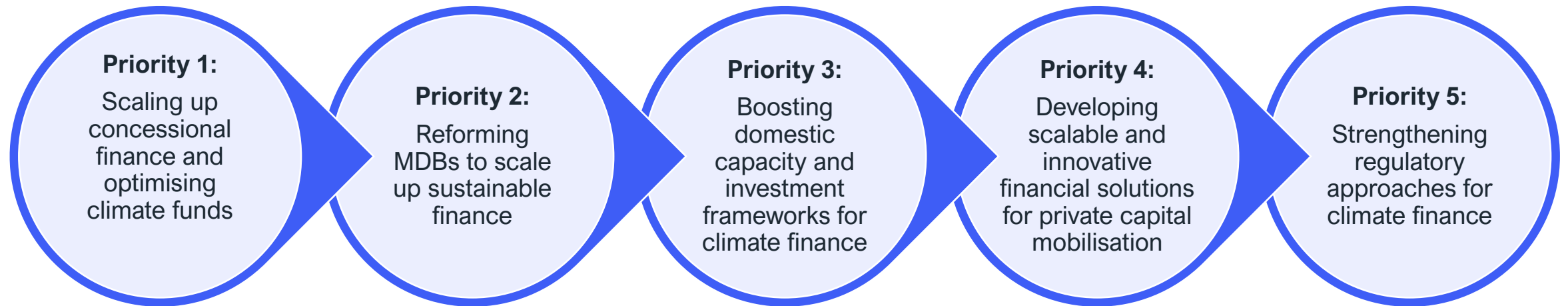


Source: Independent High-Level Expert Group on Climate Finance (IHLEG)



Delivering on the USD1.3 trillion finance goal

5 strategic priorities identified by the circle of finance ministers report



Scaling up financing to USD1.3 trillion per year by 2035 requires wide-ranging reforms



What was delivered?

- Launch of a two-year work programme on climate finance
- Tripling of adaptation finance
- Shortlisting of 59 indicators as part of Global Goal on Adaptation (GGA)
- Commitments for the Tropical Forests Forever Facility (TFFF)
- Launch of a global implementation accelerator
- Creation of the Belém Mechanism for a Just Global Transition
- Launch of the Technology Implementation Programme (TIP)
- Loss and Damage Fund's first call for proposals

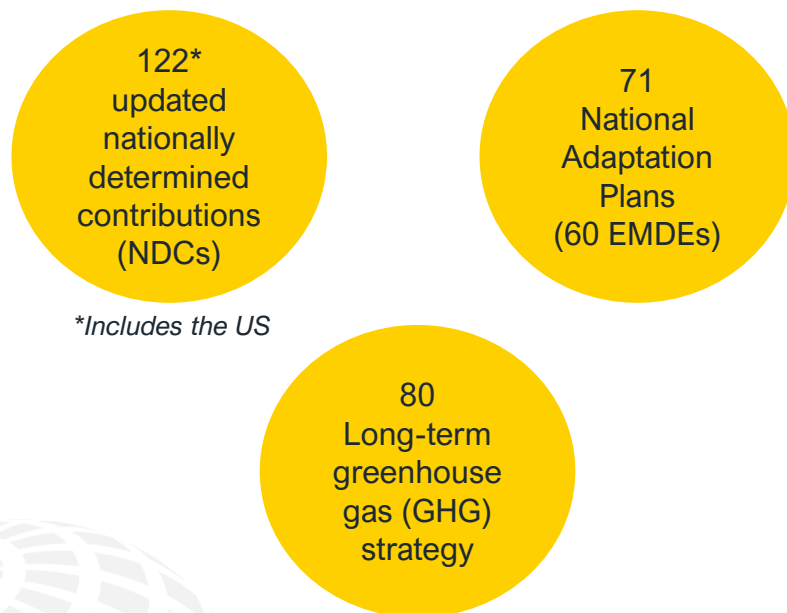
Parties made little headway on scaling up climate finance with green shoots on adaptation finance, carbon markets, and Just Transition

What was delivered?

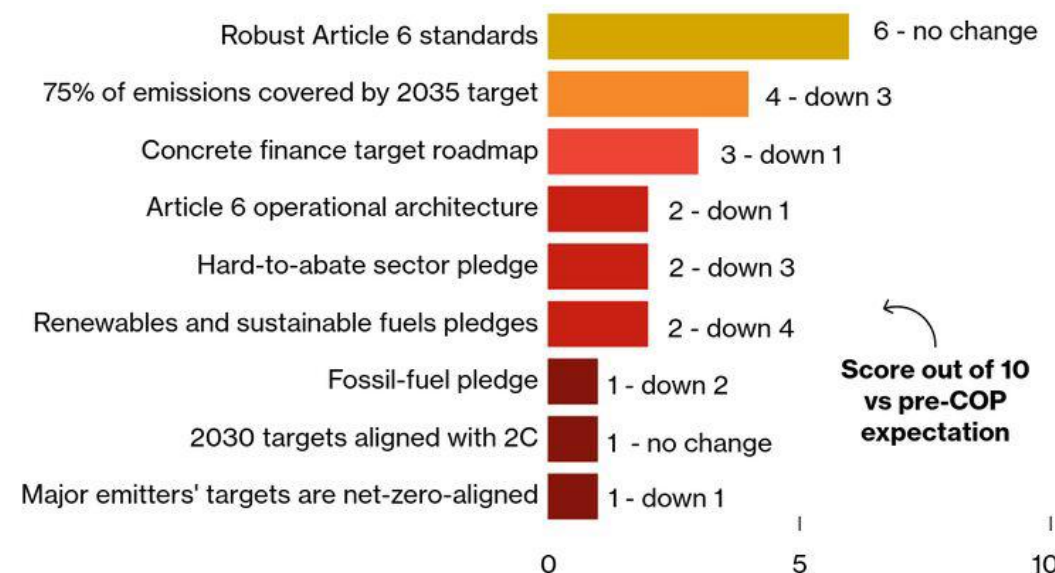
Broad category	Actor(s)	Target/commitment	Details/quantitative goal
Renewable energy (RE), grid and storage	Utilities for Net Zero Alliance (UNEZA)	USD1 tn investment by 2030	USD66 billion per year in renewables and USD82 billion in grids and storage by the world's leading utilities that are part of UNEZA
	Asian Development Bank (ADB) & World Bank	USD12.5 bn for ASEAN Power Grid	Financing grid strengthening & integration.
	Inter-American Development Bank Power Transmission Acceleration Platform (IDB-PTAP - Latin America)	EUR15 mn seed + expansion platform	To accelerate power transmission & enable 80% renewable electricity by 2030.
	Global Grids Catalyst	Mobilise USD7 mn + USD2 mn incubation fund	Catalysing new grid & storage projects.
Green hydrogen and industrial decarbonisation	Global Clean Hydrogen Programme (led by Global Environment Facility - United Nations Industrial Development Organisation)	USD15.8 mn GEF grant + USD213.5 mn co-finance	Multi-country clean hydrogen scale-up.
	Accelerate to demonstrate Programme (led by United Nations Industrial Development Organization (UNIDO) and UK Department of Energy)	USD6 mn	To drive hydrogen demonstration in emerging economies.
	Build Clean Now Initiative (by the Industrial Transition Accelerator)	Finance 70 projects worth USD140 bn	Target to support 800+ plants by 2030 globally.

How does the outcome align with requirements?

Updated country commitments




Evaluation of progress on key areas in COP30



Source: BloombergNEF

Countries representing more than 75% of global emissions submitted new NDCs



What's been delivered on the circle of finance ministers' 5 priorities

Priority 1: Scaling up concessional finance and optimizing climate funds

- Transaction hub for transformative climate finance solutions ('The Hub')
- Accelerate grid flexibility for high variable renewable energy (VRE) integration in countries that have joined the 'Renewables in Latin America and the Caribbean' (RELAC) initiative (AGF-RELAC)

Priority 2: Reforming MDBs to scale up sustainable finance

- Task Force on Credit Enhancement for Sustainability-linked Financing moves to a full implementation platform

Priority 3: Boosting domestic capacity and investment frameworks for climate finance

- Launch of a 'Global Implementation Accelerator' and the 'Belem Mission to 1.5' to help countries improve ambition and execution of their NDCs
- NDC Partnership 2026-2030 Work Programme Launched at COP30 (New Five-Year Roadmap for Collective Climate Action)
- Country Platform Hub to connect countries with technical assistance, provide knowledge, and funding
- Country Platforms for Localising Finance (CPLFs) launched in two African countries
- Coalition for High Ambition Multilevel Partnerships (CHAMP) to strengthen collaboration between national and subnational governments
- Building a thriving global south climate tech startup ecosystem

Priority 4: Developing scalable and innovative financial solutions for private capital mobilisation

- FX Edge to replicate and tailor its proven model for mitigating systemic foreign exchange barriers in new contexts
- Financial Instruments for Ready and Resilient (FIRRe) to use climate resilience debt clauses, contingent credit lines and risk-transfer solutions
- Promising avenues to streamline climate finance and support for startups and SMEs in developing countries

Priority 5: Strengthening regulatory approaches for climate finance

- Global Super-Taxonomy to establish a common financial language for what counts as 'sustainable'
- Creation and adoption of Paris-aligned transition plans
- Harmonisation of carbon markets
- GHG protocol + International Organisation for Standardisation (ISO) Global carbon accounting alignment
- Methodologies for identifying environmental and climate expenses in the public budget

PAS focusing on finance have focused more on EMDE capacity building



Key issues that were overlooked

Priority 1	Priority 2	Priority 3	Priority 4	Priority 5
<ul style="list-style-type: none">• Delivery of finance on New Collective Quantified Goal (NCQG) commitments• Vertical Climate and Environmental Funds (VCEFs) internal reforms	<ul style="list-style-type: none">• MDBs' role in project preparation and implementation• Implementation of capital adequacy framework reforms• MDBs strengthen coordination, transparency and collaboration	<ul style="list-style-type: none">• Strengthening fiscal capacity for climate action and reducing debt vulnerability• Development of climate-aligned domestic financial systems and capital markets• Debt burdens faced by developing countries	<ul style="list-style-type: none">• Building investment pipelines through collaborative partnerships• Assess originate-to-distribute and originate-to-share business models• Expand the investor base	<ul style="list-style-type: none">• Climate stress-testing in prudential frameworks• Basel III capital requirements for climate-related financial risks• Adapt risk-based and fiduciary frameworks• Adopt and implement climate disclosures, such as the International Sustainability Standards Board (ISSB)• Clear expectations for private sector transition plans• Refinement of credit rating approaches by credit rating agencies (CRAs)• Central banks support the financial system's alignment with nationally determined transition pathways



Actual climate finance commitments and regulatory approaches remain the most overlooked



Thank you

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