

UAE commits \$30bn to climate action finance fund

At COP28 today, the UAE announced a \$30bn commitment to the newly launched catalytic climate vehicle, Altéra, that aims to drive international efforts to create a fairer climate finance system, with an emphasis on improving access to funding for the Global South.



Image source: Tanarat Kongchuenjit – [123RF.com](https://www.123RF.com)

With this \$30bn commitment, Altéra becomes the world’s largest private investment vehicle for climate change action and will aim to mobilize \$250bn globally by 2030. It aims to steer private markets towards climate investments and focus on transforming emerging markets and developing economies, where traditional investment has been lacking due to the higher perceived risks across those geographies.

Finance for climate action is not currently available, accessible or affordable enough where it is needed. By 2030, emerging markets and developing economies will require \$2.4tn every year to address climate change. That is why COP28 made fixing climate finance a key pillar of its Action Agenda and has worked to deliver ambitious solutions, including mobilising private markets at scale.

The launch of the vehicle was described by COP28 President Dr Sultan Al Jaber as a “defining moment” in the creation of a new era of international climate finance.

Al Jaber, who will chair Alterra's Board, added: "Alterra provides a transformational solution for attracting private capital. Its scale and structure will create a multiplier effect in climate focused investment, making it a vehicle like no other. Its launch reflects the COP Presidency's Action Agenda and the UAE's efforts to make climate finance available, accessible and affordable."

Ambassador Majid Al Suwaidi, COP28 Director-General, will serve as Alterra's chief executive officer. Alterra will have a team of specialist climate investment professionals who bring a strong track record of investing in emerging and developing markets. Alterra has been established by Lunate, an independent global investment manager, and is housed in the Abu Dhabi Global Market.

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