



Understanding mitigation support: financing

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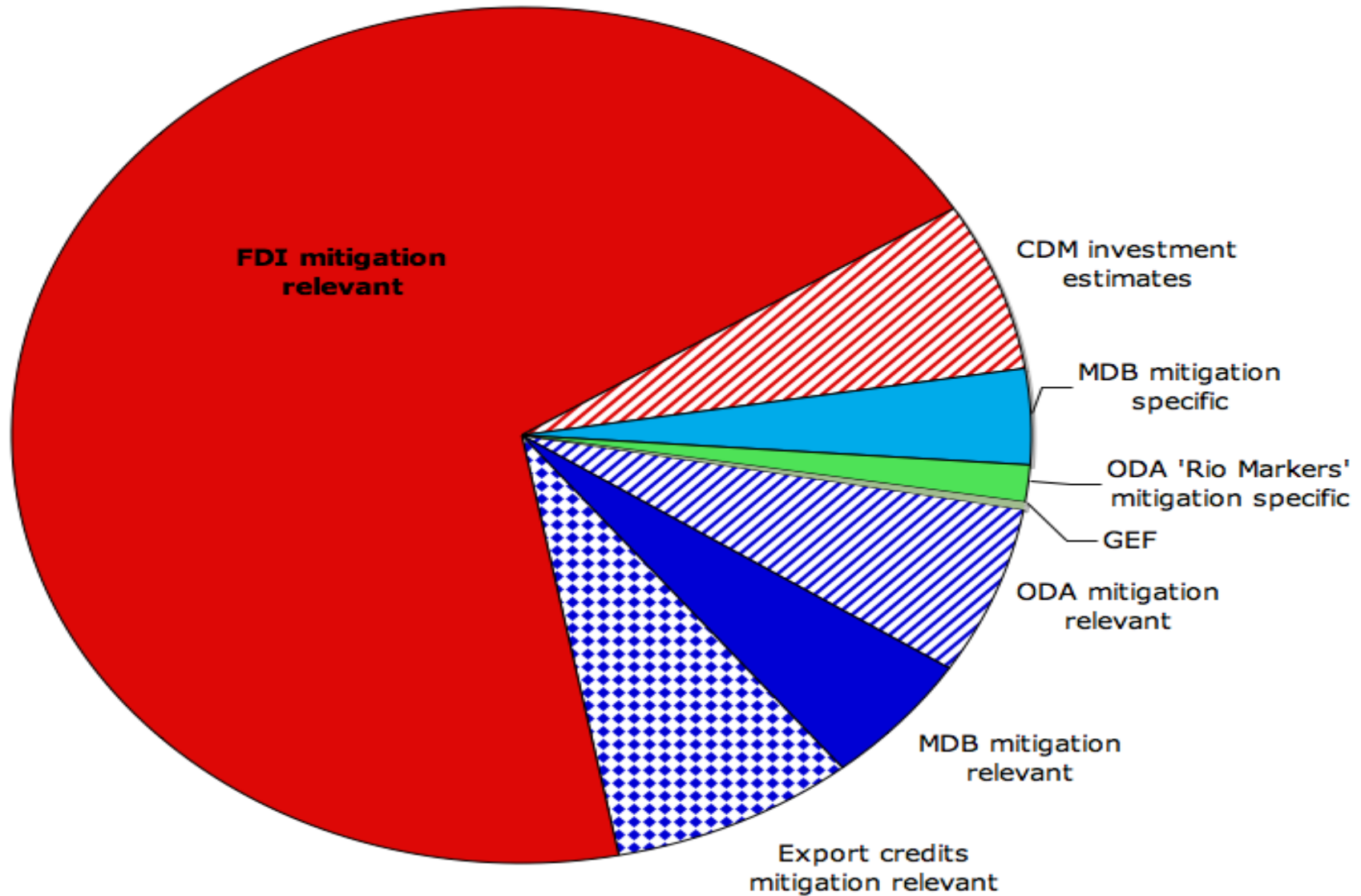
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Outline: understanding mitigation support

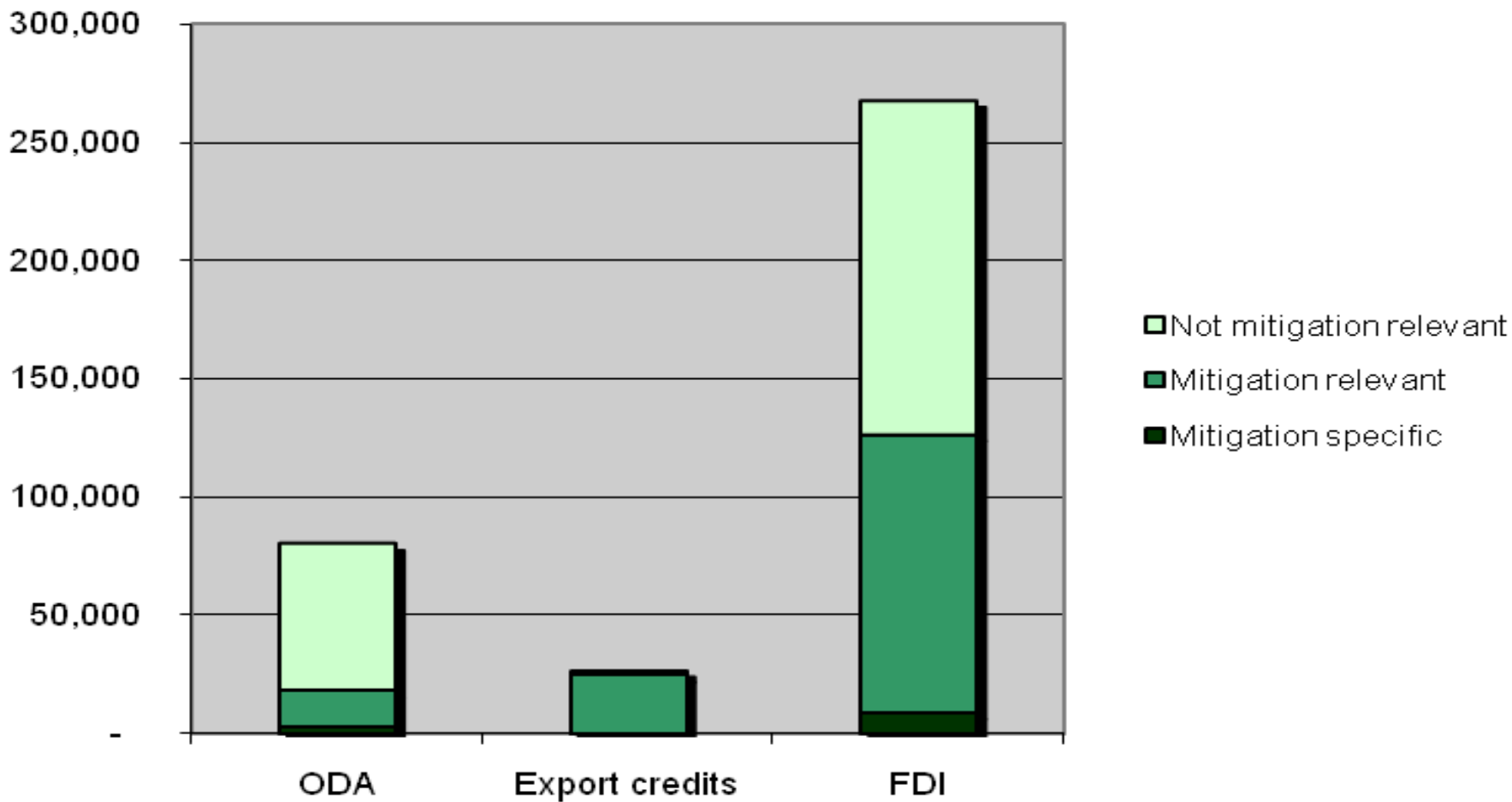
- What do the data tell us?
 - Magnitude of different sources?
 - What share of different flows relevant to mitigation?
 - What share specific to mitigation support?
 - What trends in N-S (external) financing for mitigation or mitigation-relevant investments since 2000?
 - What balance between public/private external/domestic finance in mitigation relevant infrastructure?

- Framework for understanding mitigation support & financing

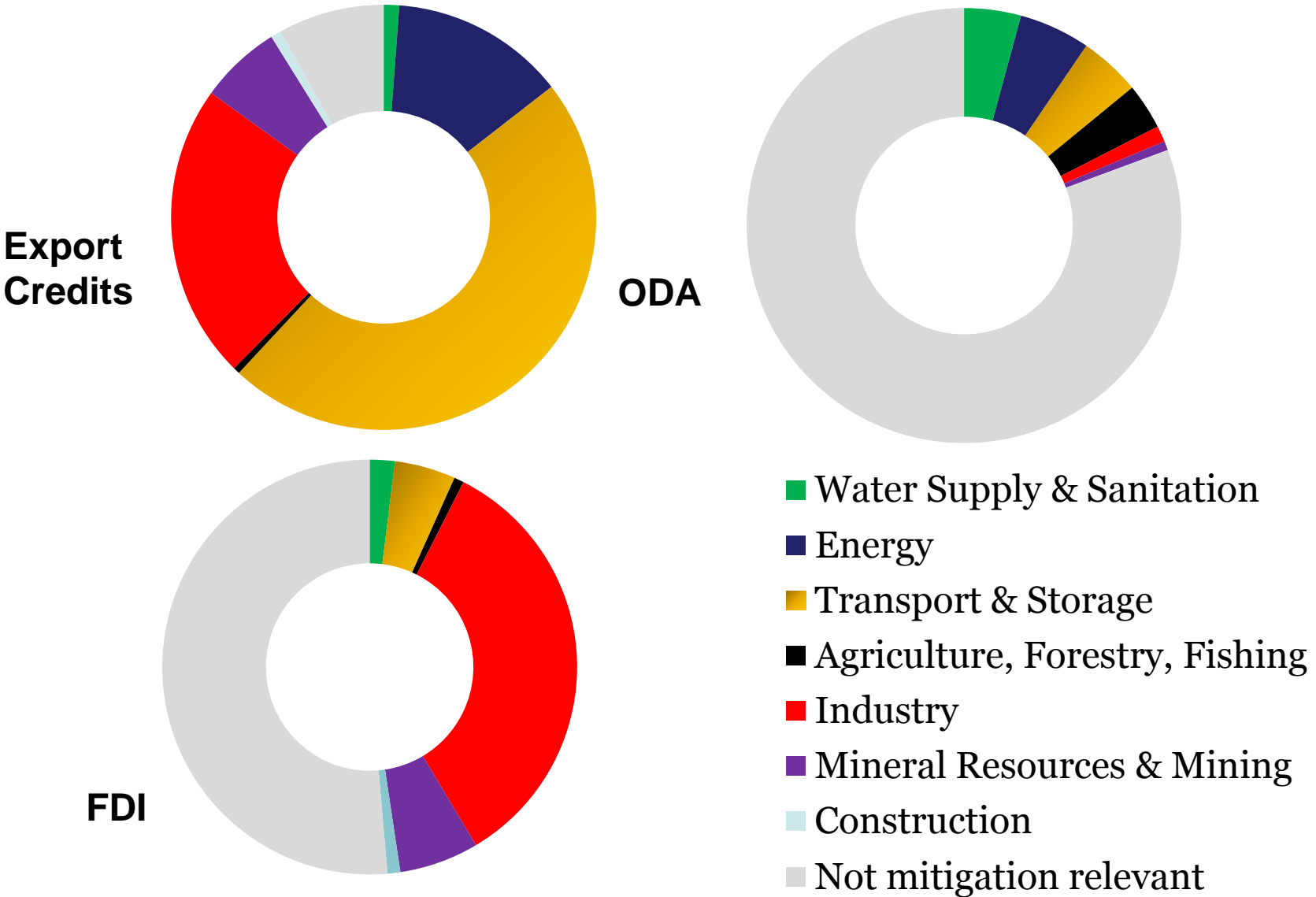
North-South mitigation relevant and mitigation-specific investment: 2006: total est. 270 billion USD



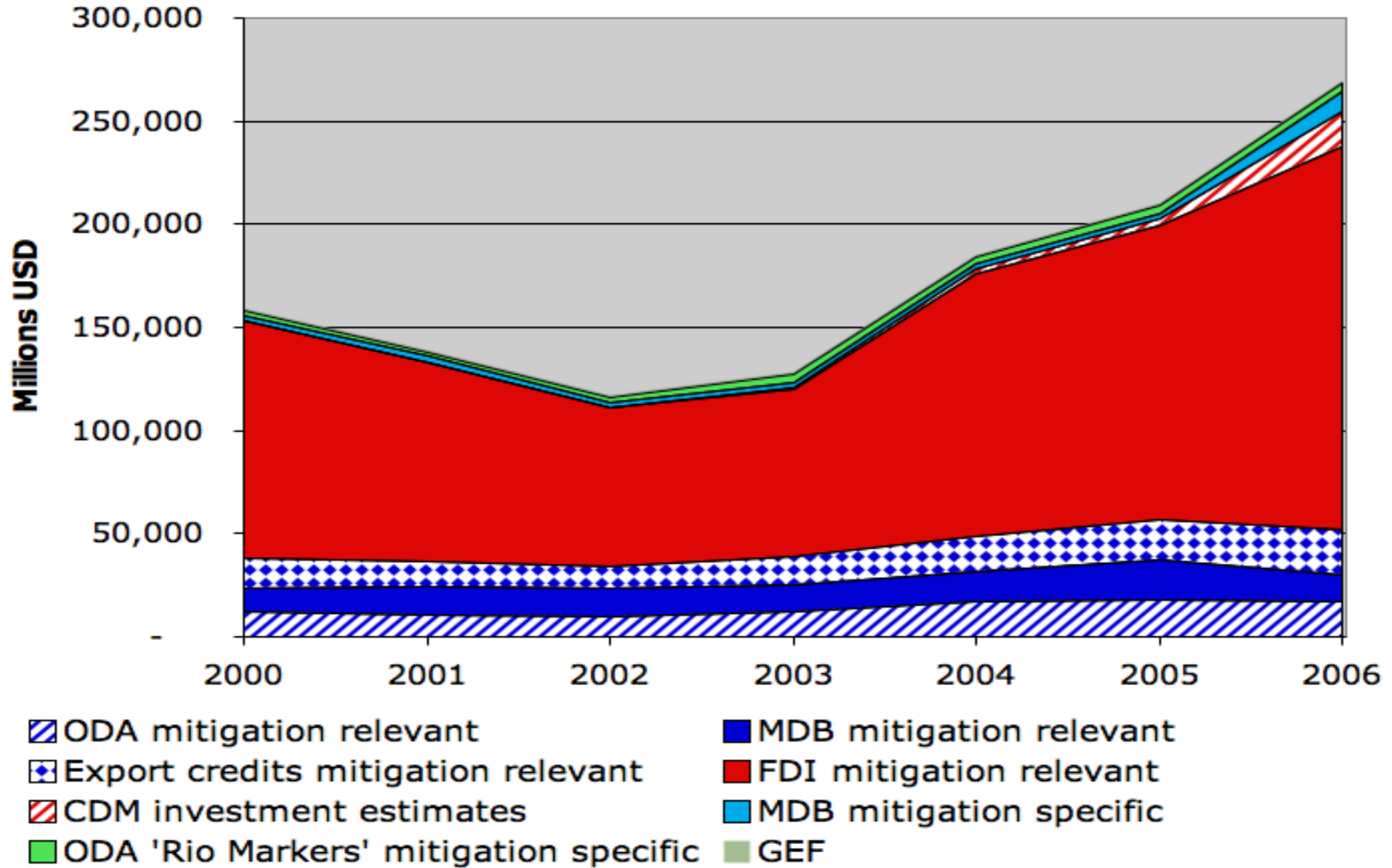
Major external financial flows to developing countries, average 2003-2005



Mitigation relevant ODA, export credits, FDI (average 2003 - 2005)

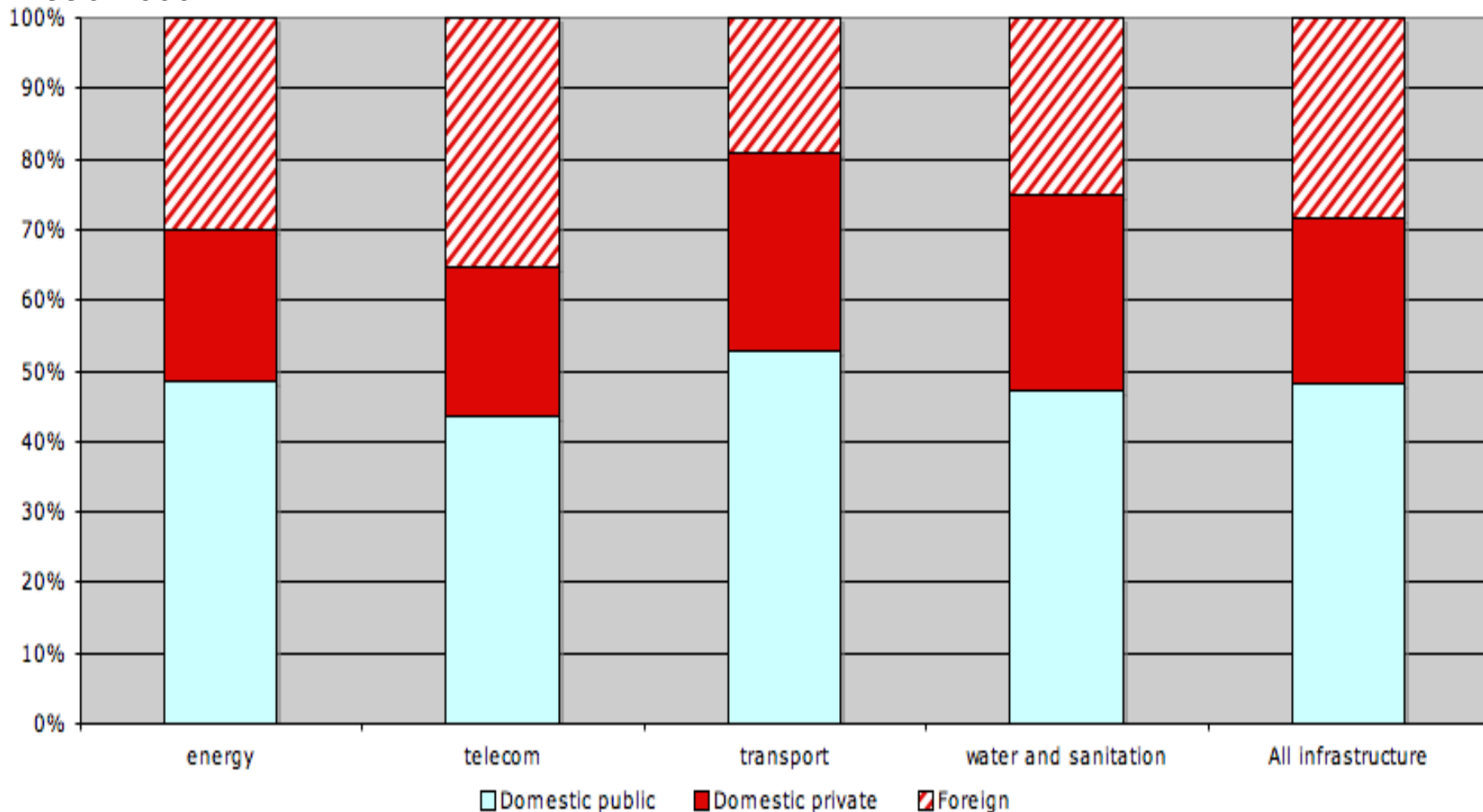


North-South mitigation-relevant and mitigation-specific investment flows: 2000-2006



Sources of financing for infrastructure in developing countries

Share of foreign and domestic private and public investors in the investment commitments of the infrastructure industries in developing countries and transition economies, by industry, 1996-2006



Source: UNCTAD 2007 based on World Bank PPI database; Note: Data cover all developing economies, except high-income developing economies

Different qualities and availability of information- a basis for a more comprehensive framework

Financial Data Sources	Mitigation-specific				Mitigation-relevant		
	Bilateral climate support	ODA bilateral	ODA multilateral	CDM	ODA bilateral	ODA multilateral	FDI
Data type	National communications	Rio markers – OECD CRS	MDB	UNEP- Risoe World Bank	OECD CRS	OECD CRS	UNCTAD
by source country	+	++	-	-	++	+	++
by recipient	+	++	-	+	++	+	++
by purpose	+	++	-	+	+	+	-
by endpoint	+	++	-	+	++	+	+

Acknowledgements & follow-up

- Inputs for this presentation provided by:
 - Bruno Guay (former OECD staff)
 - Valerie Gaveau (OECD DAC statistics)

- For more information see:

www.oecd.org/env/cc & www.oecd.org/dac

- Thank you!

Outline: MRV of mitigation support

2. Framework concepts & definitions

Framework: concepts & definitions

Review markers for tracking change:

- Source country
- Recipient country
- By purpose (mitigation, reporting)
- By end-point - sector

Framework concepts & definitions

Mitigation-specific support

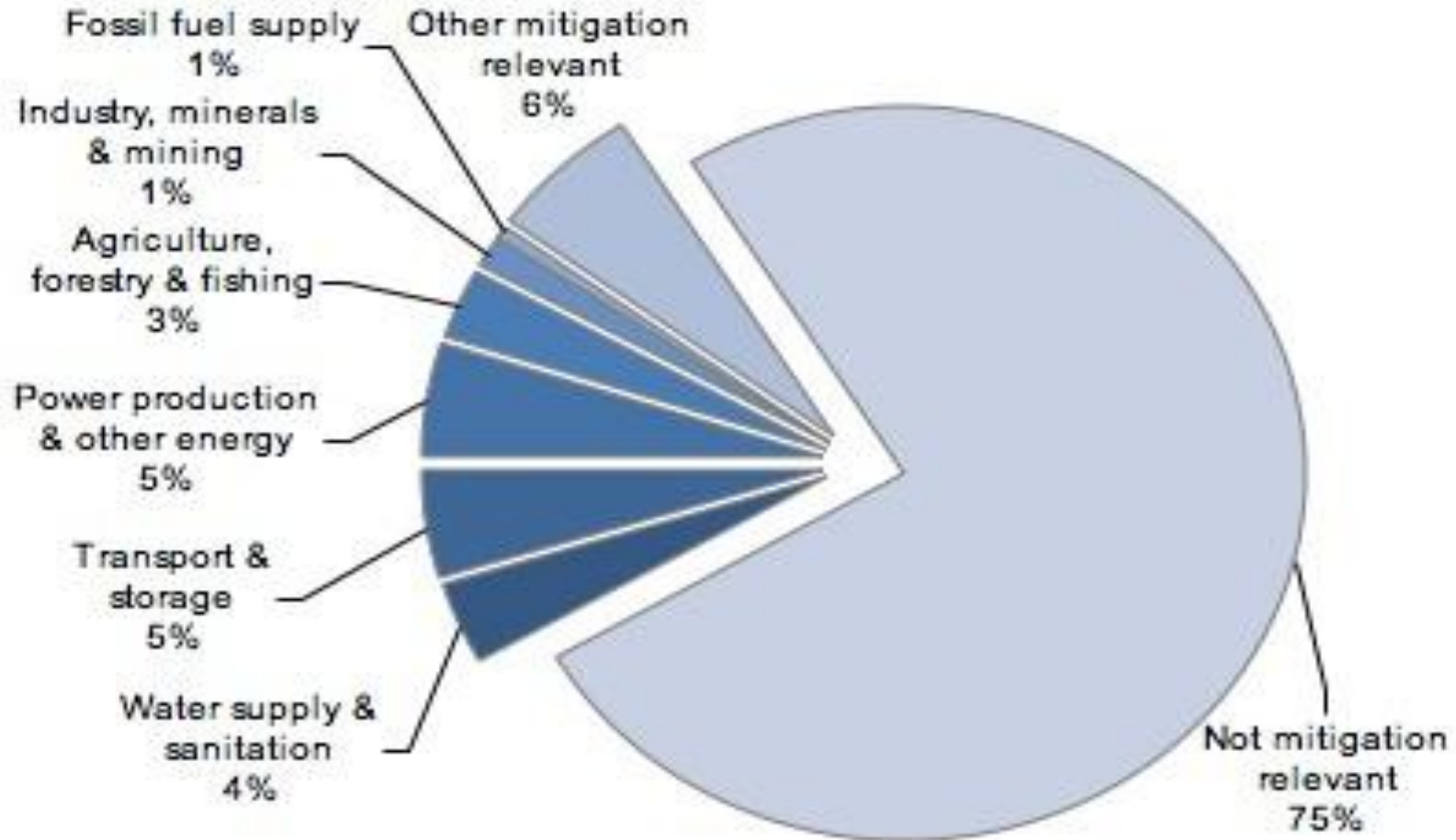
- Public - 2 different purposes:
 - GHG mitigation activities in developing countries
or
 - Fulfillment of reporting requirements and assessments
 - GHG inventories, national communications, Technology needs assessment , National Capacity Self Assessments.
- Private – e.g. Clean Development Mechanism (CDM)

Framework: concepts & definitions

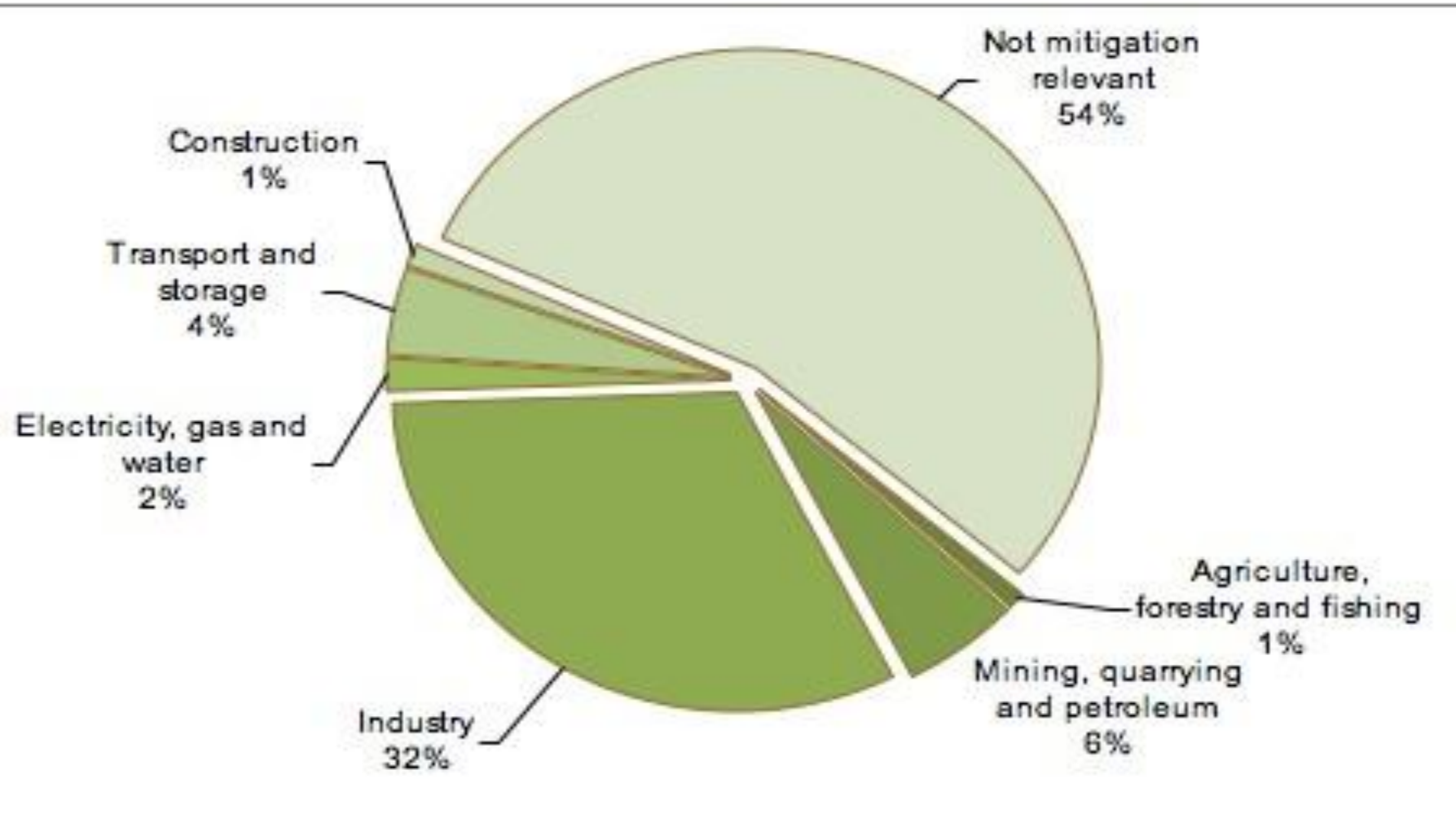
“Mitigation – relevant” support activities :

- Public: ODA bilateral & multilateral
- Private: foreign (FDI) or domestic
- Public and private investments in key sectors that will shape future emissions in developing countries
 - Sectors: energy, transport and water infrastructure, industry, waste management, agricultural or forestry sector
- **These investments can have a negative (or positive) impact on GHG emissions.**

Bilateral ODA commitments to climate relevant sectors, average 2003-2005: est. 15 of 77 billion USD per year



FDI inward flows into developing countries, by sector, average 2003-2005: est 118 of 242 billion USD per year



Source: UNCTAD FDI database

Official long-term export credits, by sector, average 2003-2005:

17 of 44 billion USD per year

