

Attribution of multilateral climate finance in the report “Climate Finance in 2013-14 and the USD 100 billion goal”

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The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries or international organisations and other institutions referenced in this note.

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I. Introduction

In September 2015, ministers and senior officials from a number of developed countries set out their understanding of mobilised climate finance in relation to the developed countries' commitment under the United Nations Framework Convention on Climate Change (UNFCCC) to mobilise jointly USD 100 billion a year by 2020 from all sources, public and private, for climate action by developing countries. A technical description of this understanding was published in a Technical Working Group (TWG) note published in September 2015.¹

At that meeting and in subsequent discussions, they considered how to, inter alia, account for climate finance provided and mobilised by Multilateral Development Banks (MDBs) and other multilateral entities for the purpose of tracking and reporting on this commitment. In particular, they considered how best to attribute flows from MDBs and other multilateral entities to developed and developing countries, with the goal of counting only the former towards the USD 100 billion. A methodology was agreed, and was applied by the Organisation for Economic Co-operation and Development (OECD) to its estimates of multilateral public and private climate finance flows reported in OECD (2015)² and, more recently, in OECD (2018)³.

This note describes the TWG methodology used to attribute climate finance from MDBs and specialised multilateral climate funds to developed countries (Section II). The objective of doing so is to provide methodological transparency, and inform and facilitate future related analysis of climate finance. Section III presents a sensitivity analysis of the results obtained with the TWG methodology and alternative outflow-based methodological options. Finally, section IV summarises key findings.

II. Methodology

MDBs typically have two types of funding (or “windows”): concessional and non-concessional⁴, which tend to differ in either the types of activities they fund, the countries they fund them in, or both:

- **Concessional windows** (e.g. the World Bank's International Development Association, as well as dedicated climate funds such as the Climate Investment Funds) operate on a “money-in, money-out” model: they do not raise funds in capital markets and, therefore, have to be replenished regularly

Non-concessional windows of MDBs (e.g. the World Bank's International Bank for Reconstruction and Development) raise funds from international capital markets. The MDBs' ability to raise funds depends on their financial strength, which reflects both the paid-in capital and capital available to them in the event of financial distress – so-called “callable capital”. Even though these activities are termed “non-concessional”, they offer

¹ Technical Working Group (2015), “[Accounting for mobilized private climate finance: input to the OECD-CPI Report](#)”.

² OECD (2015), [Climate Finance in 2013-14 and the USD 100 billion Goal: A Report by the OECD in Collaboration with Climate Policy Initiative](#), OECD Publishing, Paris.

³ OECD (2018), [Climate finance from developed to developing countries: 2013-17 public flows](#), OECD Publishing.

⁴ This relatively sharp distinction is however, likely to become less sharp over time as some development banks merge these two windows. Some already receive resources for concessional windows in the form of concessional loans. Some MDBs' concessional windows may also access capital market funding in future.

advantages to recipients relative to an entirely private sector loan for the same purposes, for example in terms of the timing and level of repayments and the duration of the loan.

Multilateral flows can be analysed and measured from two different points of measurement:

- **Inflows to multilateral organisations.** These are un-earmarked contributions from member countries provided to multilateral organisations in a specified period.⁵ The climate share of such funds can be estimated by applying the climate share of the organisation's overall portfolio to un-earmarked contributions ("imputed multilateral contributions", see Appendix I).
- **Outflows from multilateral organisations.** These are the total funds flowing from multilateral organisations to recipient countries in a specified period. They comprise the finance provided (inflows) to these organisations by both developed and developing member countries plus any additional funds mobilised by the multilateral organisations. The latter may represent a significant share of total outflows in some cases, for example, when individual multilateral development banks (MDBs) raise resources from international capital markets.

The main difference in estimates resulting from using the inflow- and outflow-based methodologies stems from the non-concessional lending activities of MDBs: non-concessional activities are mainly financed through borrowing on the international capital markets and methodologies based on inflows – i.e. members' un-earmarked contributions - do not include the funds raised on capital markets in their estimates. The inflow and outflow methodologies are more closely aligned when analysing concessional windows, though even here some differences will be apparent from the timing of the flows and the potential for MDBs to use retained earnings or other resources (e.g. transfers from their non-concessional activities) to finance their concessional lending.

The TWG methodology is based on outflows, aiming to provide the most accurate and complete picture of the resources made available to recipient developing countries, collectively by developed countries through MDBs. This approach requires that the concessional and non-concessional operations of the institutions are treated differently, reflecting the different ways in which country contributions are used in each case. The results will thus differ from individual country reporting to the UNFCCC Biannual Report, which provides a picture of the inflows to the MDBs and omits funds raised on the capital markets.

The TWG methodology for calculating the shares of developed countries for concessional windows and non-concessional windows is explained below. Results from the implementation of the TWG methodology are presented in Table 1.

⁵ A member country can provide core funding to multilateral organisations (or un-earmarked contributions), whether negotiated, assessed or voluntary. The governing boards of multilateral organisations have the unqualified right to allocate core budget resources as they see fit within the organisation's charter. A member country can also provide non-core (or earmarked) resources to multilateral agencies over which it retains control on decisions regarding disposal of the funds. Such flows may be earmarked for a specific country, project, region, sector or theme.

Table 1 - Results from the implementation of the TWG methodology in OECD (2015) and OECD (2018) reports

Institution name		2015	2018
Multilateral Development Banks	African Development Bank	59.0%	58.2%
	African Development Fund	94.0%	93.6%
	Asian Development Bank	71.0%	71.4%
	Asian Development Bank Special Fund	96.0%	95.2%
	Asian Infrastructure Investment Bank	Not applicable	27.3%
	European Bank for Reconstruction and Development	89.0%	88.8%
	European Investment Bank	99.0%	98.6%
	International Bank for Reconstruction and Development	70.0%	67.9%
	International Development Association	95.0%	92.8%
	Inter-American Development Bank	74.0%	73.6%
	Inter-American Development Bank Special Fund	73.0%	72.5%
	Inter-American Investment Corporation	Not applicable	33.6%
	International Finance Corporation	64.1%	64.1%
Climate funds	Adaptation Fund	100.0%	100.0%
	Climate Investment Funds	100.0%	99.9%
	Global Environment Facility Trust Fund	98.0%	98.0%
	Global Environment Facility Least Developed Countries Fund	100.0%	99.9%
	Global Environment Facility Special Climate Change Fund	100.0%	99.5%
	Green Climate Fund	Not applicable	99.6%
	Nordic Development Fund	100.0%	100.0%

Source: OECD analysis.

Concessional windows

Resources for concessional operations come from contributions made during the replenishment process by countries and from retained earnings.

To estimate the amount of climate finance that can be attributed to developed countries in a given year, the TWG methodology splits countries' contributions between contributions that originated from the most recent replenishment, and those that originated from historical contributions.

Climate finance attributed to developed countries

$$= \left\{ \left[x \cdot \left(\frac{\text{Contributions in latest replenishment}_{\text{Developed countries}}}{\text{Contributions in latest replenishment}_{\text{All countries}}} \right) \right] + \left[y \cdot \left(\frac{\text{Historical contributions}_{\text{Developed countries}}}{\text{Historical contributions}_{\text{All countries}}} \right) \right] \right\}$$

. Annual climate finance flow from multilateral institution

The share of developed countries' contributions from the most recent replenishments are multiplied by "x", which is the portion of the institutions' balance sheet that derives from contributions in the latest replenishment cycle. Historical contributions are multiplied by "y", the portion of the institutions' balance sheet that derives from retained earnings.

Since data on retained earnings were not readily available in the sources analysed (see *data sources* section), “y” was represented by *all resources available in the institution’s balance sheet minus contributions in the latest replenishment cycle* ($y = 1 - x$). The quantity “y” includes:

- transfers from sister institutions (most often retained earnings from non-concessional windows) - for African Development Fund (AfDF), Asian Development Bank Special Fund (AsDF) and International Development Association (IDA);
- resources available through carryforward or arrears clearance - for IDA;
- voluntary prepayments of outstanding credits - for IDA17⁶;
- estimates of an increase of resources available as a result of adjustments to the lending terms - for IDA17;
- resources in technical gap⁷ - for AfDF;
- resources through the Advance Commitment Authority - for AfDF;
- internal reflows - for IDA
- Income from Liquidity Investment (internal resources) – for AsDF.

Due to lack of data on “x”, “y” and historical contributions, a simplified methodology was applied to the Inter-American Development Bank Special Fund. The same approach was used to attribute outflows from the specialised multilateral climate funds. This simplified methodology consists in calculating the proportion of contributions by developed countries from total contributions in the latest replenishment cycle. This methodology is referred to as Approach A in the *Sensitivity Analysis – Concessional windows* section.

Non-concessional windows

To attribute a share of outflows from non-concessional multilateral sources to particular groups of countries requires an understanding of the basis on which MDBs are able to raise resources on capital markets on sufficiently attractive financial terms. One of the key enablers is the credit-worthiness of the particular multilateral institution, which depends on the strength of its balance sheet and in particular on its capital relative to its liabilities. An MDB’s capital base has two key elements that are relevant here: the capital paid in by the institutions’ shareholders (sovereign countries) and the on-call capital, which shareholders have committed to provide in exceptional circumstances should such additional capital be required: this guarantee reduces the risk perceived by markets and enables the MDB to borrow at lower rates.

Estimates of the proportion of outflows from a given MDB’s non-concessional activities that can be credibly attributed to developed countries should, therefore, be related to the contribution that these countries make to the capital base of that MDB. To this end, the TWG methodology calculates the proportion of the finance from a given non-concessional window that can be attributed to developed

⁶ IDA17 refers to the 17th replenishment of the organisation

⁷ In a replenishment, the technical gap serves to 1) accommodate the subscriptions of new state participants or donors and 2) allow increased or additional subscriptions during the life of the replenishment, without impacting the burden shares of all participants; and (3) give state participants the flexibility to increase their burden sharing during a particular replenishment without exceeding the target replenishment level (Source: http://www.afdb.org/fileadmin/uploads/afdb/Documents/Boards-Documents/ADF-13_-_Report_on_the_Thirteenth_General_Replenishment_of_the_Resources_of_the_ADF.pdf)

countries in a given year as the sum of two elements: i) the developed countries’ share of total paid-in capital; and ii) the developed countries’ share of highly-rated callable capital, weighted to take account of the sovereign credit rating of the individual country providing the capital.

Highly-rated callable capital is here defined as capital contributed by countries whose median credit rating among the three major credit rating agencies (Standard & Poor’s, Moody and Fitch) is “A” or above in the 2013-4 period.⁸ In order to recognise that paid-in capital has substantially more value in terms of providers’ effort than callable capital, a weight of 10% is applied to the callable-capital portion of the calculation versus a weight of 90% for paid-in capital. A sensitivity analysis of the weight allocated to callable capital is presented in Figure 1).

Climate finance attributed to developed countries

$$= \left[\frac{\text{Paid in capital}_{\text{Developed countries}} + (\text{Highly rated Callable capital}_{\text{Developed countries}} \cdot 0.1)}{\text{Paid in capital}_{\text{All countries}} + (\text{Highly rated Callable capital}_{\text{All countries}} \cdot 0.1)} \right]$$

. Annual climate finance flows from multilateral institution

Data sources

Data on country contributions - historical and in latest replenishment - as well as callable capital were collected from the institutions’ annual reports and financial statements (see Appendix II). Data on credit ratings - only applicable to non-concessional windows - were gathered from Standard & Poor, Moody and Fitch (Appendix III)

Once calculated, the attribution percentages need to be applied to multilateral climate finance outflows. Data on total climate finance outflows from MDBs and specialised multilateral climate funds were sourced from the DAC Creditor Reporting System (CRS), collected on a calendar year basis and for projects targeting countries included in the list of ODA-eligible countries.⁹ Climate finance outflows from specialised multilateral climate funds are reported to the DAC based on the OECD DAC Rio Markers methodology. Climate finance outflows from MDBs are instead reported based on the Joint-MDB Approach.¹⁰

III. Sensitivity analysis

This section presents a sensitivity analysis based on the attribution shares calculated in 2015 and applied to 2013 and 2014 multilateral climate finance outflows as presented in the OECD (2015) report. The same methodology underpins the OECD (2018) report, which presents data for the 2013-2017 period. In OECD (2018), the attribution shares calculated in 2015 were applied to 2013-2015 multilateral climate finance outflows, while attribution shares calculated in 2018 were applied to

⁸ Higher rating of the two, if one of the three is missing.

⁹ There are small differences between the DAC list of ODA-eligible countries and the Non-annex I list used by UNFCCC (See Appendix IV). Data on projects to countries excluded in the ODA-eligible list and included in the non-annex I list were included in the analysis whenever available

¹⁰ Only MDBs’ own resources were included in the calculation to avoid double counting (MDB external resources include trust funds managed by the institution – e.g. GEF – which may be reported separately either by another multilateral institution or a bilateral donor).

2016-2017 outflows. Changes in attribution shares between 2015 and 2018 are small (see Table1), thus, results of a sensitivity analysis based on the 2018 attribution shares are not expected to change significantly.

The sensitivity analysis aims to assess and illustrate the variability of results between the TWG methodology and alternative possible outflow-based methodologies based on the variables described above, and summarised in Table 2. Results using the voting power to attribute multilateral outflows to countries were also analysed for completeness. It is however important to note that estimates based on the voting power do not have a sound financial rationale, as there is no economic causality between the voting rights of different countries in the governance bodies of an MDB and its ability to raise resources on the capital markets.¹¹

Table 2 – Sensitivity analysis

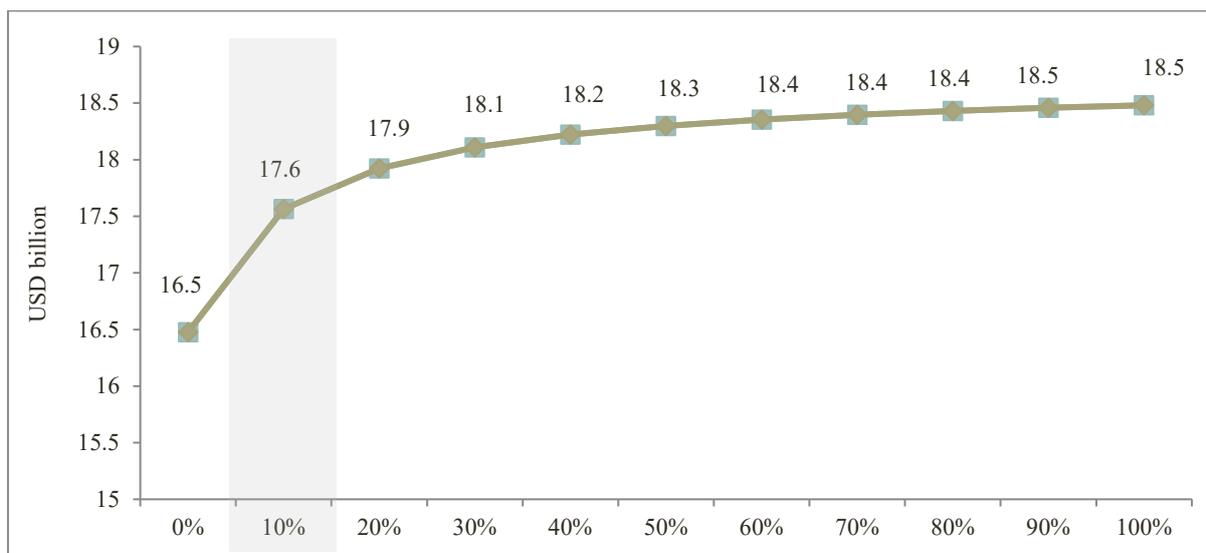
Window	Approaches	Short description
Concessional	TWG Concessional	Contributions in latest replenishment period and historical contributions
	1	Contributions in latest replenishment.
	2	Historical contributions.
Non-concessional	TWG Non-concessional	Paid-in capital and highly-rated callable capital weighted at 10%, from countries with an “A” rating and above.
	A	Paid-in capital.
	B	Callable capital.
	C	Highly-rated callable capital (from countries with a rating above “A”).
	D	Paid-in and callable capital with equal weights.
	E	TWG approach with variable weights on callable capital (25, 50, 75 and 100% in bar charts)
	F	Voting power
G	TWG approach with highly-rated capital defined as callable capital from countries with ratings AAA or above.	

Baseline TWG methodology with variable weights for callable capital (Approach E)

The key sensitivity test consists in varying the weighting of the highly-rated callable capital compared to the 10% baseline used in the TWG methodology implemented in the OECD (2015) and OECD (2018) reports. Figure 1 assesses the variability of results with weights from 0 to 100%. Results vary from -6% (-USD 1.1 bn) with a weight of 0% to + 5% (+USD 0.9 bn) with a 100% weight.

Figure 1 - TWG methodology with variable weights for callable capital (concessional and non-concessional windows, all institutions)

¹¹ In most institutions, a part of the vote is distributed in proportion to the shares of capital of each member, while another part is distributed equally among members regardless of their share of capital.



Concessional windows

A simplified approach was applied to the concessional windows using either the current or historical contributions (i.e. one or the other rather than a combination of both) whenever data allowed.¹²

<p>Approach 1 Contributions in latest replenishment</p>	$\frac{\text{Contributions in latest replenishment}_{\text{Developed countries}}}{\text{Contributions in latest replenishment}_{\text{All countries}}}$
<p>Approach 2 Historical contributions</p>	$\frac{\text{Historical contributions}_{\text{Developed countries}}}{\text{Historical contributions}_{\text{All countries}}}$

Results presented in Appendix V show that the formula proposed by the TWG and the simplified approaches – both with current and historical contributions – yield almost identical results (difference < 1%).

Non-concessional windows

A number of alternative estimation methodologies were tested whenever data allowed¹³, as detailed below. Paid-in capital and callable capital refer to amounts in the latest replenishment cycle.

¹² Approach B Concessional was not applied to the Inter-American Development Bank Special Fund and the climate funds due to lack of historical data.

¹³ IFC: the TWG approach – in the case of IFC equal to Approach A as IFC does not have callable capita - was used as a proxy for approaches B and C, to be able to compare totals. EIB: data on EIB voting power were not available in the sources analysed. The TWG approach was used as a proxy to be able to compare totals.

Approach A Only paid-in capital ¹⁴	$\frac{\text{Paid in capital}_{\text{Developed countries}}}{\text{Paid in capital}_{\text{All countries}}}$
Approach B Only callable capital	$\frac{\text{Callable capital}_{\text{Developed countries}}}{\text{Callable capital}_{\text{All countries}}}$
Approach C Only highly-rated callable capital (countries above “A” rating)	$\frac{\text{Highly rated callable capital}_{\text{Developed countries}}}{\text{Highly rated callable capital}_{\text{All countries}}}$
Approach D Paid-in and callable capital with equal weights	$\frac{\text{Paid in capital}_{\text{Developed countries}} + \text{Callable capital}_{\text{Developed countries}}}{\text{Paid in capital}_{\text{All countries}} + \text{Callable capital}_{\text{All countries}}}$
Approach E TWG approach with variable weights on callable capital (25, 50, 75 and 100%)	$\frac{\text{Paid in capital}_{\text{Developed countries}} + (\text{Highly rated Callable capital}_{\text{Developed countries}} \times \text{WEIGHT})}{\text{Paid in capital}_{\text{All countries}} + (\text{Highly rated Callable capital}_{\text{All countries}} \times \text{WEIGHT})}$
Approach F Voting power	$\frac{\text{Voting Power}_{\text{Developed countries}}}{\text{Voting Power}_{\text{All countries}}}$
Approach G TWG approach with AAA-rated callable capital	$\frac{\text{Paid in capital}_{\text{Developed countries}} + (\text{AAArated Callable capital}_{\text{Developed countries}} \cdot 0,1)}{\text{Paid in capital}_{\text{All countries}} + (\text{AAArated Callable capital}_{\text{All countries}} \cdot 0,1)}$

As per the results presented in Appendix V, the variability between the TWG methodology and alternative approaches ranges from -11% to +11%, except when the voting power is used, in which case amounts attributed are 17% lower than the amounts attributed using the TWG methodology.

The voting power – differently to the other variables in the sensitivity analysis – reflects the decisional power in the Board rather than the capital structure of the institution.¹⁵ Under the assumption that the MDB mobilisation potential rely mainly on the institution’s capital base, rather than on the structure of the decisional power on the Board, estimates based on the voting power do not have a sound financial rationale.

Approaches A (only paid-in capital), B (only callable capital) and E (paid-in and callable capital with equal weights respectively) yield almost identical results, which can be explained by the proportionality between paid-in and callable capital. Approach G (highly-rated callable capital

¹⁴ This approach can also be interpreted as the TWG approach with a weight of 0 for callable capital.

¹⁵ In most institutions, a part of the vote is distributed in proportion to the shares of capital of each member, while another part is distributed equally among members regardless of their share of capital.

defined as including only callable capital from countries rated AAA) yields almost identical results to the TWG approach.

The TWG approach seems to lie in the middle of the range of estimates from these different approaches. The TWG estimate results in a higher attribution of multilateral flows to developed countries than approaches A, B and D; since highly-rated callable capital comes mostly from developed countries. Approach E, which replicates the TWG methodology but with weights of 25, 50, 75 and 100 percent for highly-rated callable capital, results in higher levels of attribution than the TWG approach for the same reason (results are 4%, 7% and 9% higher in amounts attributed respectively).

IV. Key findings

- The MDB share attributable to developed countries is sensitive to the financial structure and operations of each individual institution, with an attributable share of 58-9% for the African Development Bank and 99% for the EIB using the TWG methodology (See Table 1). Attribution percentages need to be calculated and applied at the level of individual institutions and, where relevant, individual funding windows within each institution
- Sensitivity analyses, based on attribution shares calculated in 2015 and applied in the OECD (2015) report, show that results are almost identical for concessional windows between a simplified approach and the TWG methodology (difference < 1%). Resources from non-concessional windows attributed to developed countries ranged from -17% to +11% between the TWG methodology and simplified approaches.

Appendix I – Attribution based on inflows: imputed multilateral contributions

Contributions – or inflows - to the general budgets of multilateral institutions are un-earmarked. As such, they do not provide an indication on the use of the funds and do not allow for an estimation of a climate-related share. The share of climate-related projects in multilateral institutions' portfolios can however be proxied by dividing climate-related outflows (identified through either the MDB approach or the OECD DAC Rio Markers) to the total portfolio of the institution. Such a share can then be multiplied by the un-earmarked contributions from member countries to estimate how much of these contributions were used for climate-related projects.

Such estimation is used by the OECD DAC and is referred to as *imputed multilateral contributions*.

Formula for imputed multilateral contribution

[Country X's un-earmarked contribution to international organisation Y] multiplied by [organisation Y's share of portfolio addressing climate]

See for further reference: <http://www.oecd.org/dac/stats/oecdmethodologyforcalculatingimputedmultilateraloda.htm>

Appendix II – Data sources

	Institution name	2015	2018
Multilateral Development Banks	African Development Bank	Link	Link
	African Development Fund	Link	Link
	Asian Development Bank	Link	Link
	Asian Development Bank Special Fund	Historical contributions - Latest replenishment	Link
	Asian Infrastructure Investment Bank	Not applicable	Link
	European Bank for Reconstruction and Development	Link	Link
	European Investment Bank	Link	Link
	International Bank for Reconstruction and Development	Link	Link
	International Development Association	Historical contributions - Latest replenishment	Link
	Inter-American Development Bank	Link	Link
	Inter-American Development Bank Special Fund	Link	Link
	Inter-American Investment Corporation	Not applicable	Link
	International Finance Corporation	Link	Link
Climate funds	Adaptation Fund	Link	Link
	Climate Investment Funds	2015 - 2014	Link
	Global Environment Facility Trust Fund	GEF5 - GEF6	Link
	Global Environment Facility Least Developed Countries Fund	Link	Link
	Global Environment Facility Special Climate Change Fund	Link	Link
	Green Climate Fund	Not applicable	Link
	Nordic Development Fund	Link	Link

Appendix III – Credit ratings

Country	2013			2015			2017			Highly-rated
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch	
Australia	AAA	Aaa	AAA	AAA	Aaa	AAA	AAA	AAA	AAA	Yes
Austria	AA+	Aaa	AAA	AA+	Aaa	AA+	AA+	AA+	AA+	Yes
Belgium	AA	Aa3	AA	AA	Aa3	AA	AA	AA	AA	Yes
Canada	AAA	Aaa	AAA	AAA	Aaa	AAA	AAA	AAA	AAA	Yes
Czech Republic	AA-	A1	A+	AA-	A1	A+	AA-	AA-	AA-	Yes
Denmark	AAA	Aaa	AAA	AAA	Aaa	AAA	AAA	AAA	AAA	Yes
Finland	AAA	Aaa	AAA	AA+	Aaa	AAA	AA+	AA+	AA+	Yes
France	AA	Aa1	AA+	AA	Aa2	AA	AA	AA	AA	Yes
Germany	AAA	Aaa	AAA	AAA	Aaa	AAA	AAA	AAA	AAA	Yes
Greece	B-	Caa3	B-	CCC+	Caa3	CCC	B+	B+	B+	
Iceland	BBB-	Baa3	BBB	BBB	Baa2	BBB+	A	A	A	
Ireland	BBB+	Ba1	BBB+	A+	Baa1	A-	A+	A+	A+	
Italy	BBB	Baa2	BBB+	BBB-	Baa2	BBB+	BBB	BBB	BBB	
Japan	AA-	Aa3	A+	A+	A1	A	A+	A+	A+	Yes
Luxembourg	AAA	Aaa	AAA	AAA	Aaa	AAA	AAA	AAA	AAA	Yes
Netherlands	AA+	Aaa	AAA	AA+	Aaa	AAA	AAA	AAA	AAA	Yes
New Zealand	AA	Aaa	AA	AA	Aaa	AA	AA	AA	AA	Yes
Norway	AAA	Aaa	AAA	AAA	Aaa	AAA	AAA	AAA	AAA	Yes
Poland	A-	A2	A-	A-	A2	A-	BBB+	BBB+	BBB+	
Portugal	BB	Ba3	BB+	BB+	Ba1	BB+	BBB-	BBB-	BBB-	
Slovak Republic	A	A2	A+	A+	A2	A+	A+	A+	A+	Yes
Slovenia	A-	Ba1	BBB+	A-	Baa3	BBB+	A+	A+	A+	
Spain	BBB-	Baa3	BBB	BBB	Baa2	BBB+	A-	A-	A-	
Sweden	AAA	Aaa	AAA	AAA	Aaa	AAA	AAA	AAA	AAA	Yes
Switzerland	AAA	Aaa	AAA	AAA	Aaa	AAA	AAA	AAA	AAA	Yes
United Kingdom	AAA	Aa1	AA+	AAA	Aa1	AA+	AA	AA	AA	Yes
United States	AA+	Aaa	AAA	AA+	Aaa	AAA	AA+	AA+	AA+	Yes
European Union	AAA	Aaa	AAA	AA+			AA	AAA		Yes

Appendix IV - List of UNFCCC Non-Annex I countries and OECD DAC ODA eligible recipients

Countries listed both as UNFCCC Non-Annex I countries and OECD-DAC eligible countries			
Afghanistan	Ghana	Pakistan	
Albania	Grenada	Palau	
Algeria	Guatemala	Panama	
Angola	Guinea	Papua New Guinea	
Antigua and Barbuda	Guinea-Bissau	Paraguay	
Argentina	Guyana	Peru	
Armenia	Haiti	Philippines	
Azerbaijan	Honduras	Rwanda	
Bangladesh	India	Saint Lucia	
Belize	Indonesia	Saint Vincent and the Grenadines	
Benin	Iran	Samoa	
Bhutan	Iraq	Sao Tome and Principe	
Bolivia	Jamaica	Senegal	
Bosnia and Herzegovina	Jordan	Serbia	
Botswana	Kazakhstan	Seychelles	
Brazil	Kenya	Sierra Leone	
Burkina Faso	Kiribati	Solomon Islands	
Burundi	Kyrgyzstan	Somalia	
Cabo Verde	Lao People's Democratic Republic	South Africa	
Cambodia	Lebanon	South Sudan	
Cameroon	Lesotho	Sri Lanka	
Central African Republic	Liberia	Sudan	
Chad	Libya	Suriname	
Chile	Macedonia	Swaziland	
China	Madagascar	Syrian Arab Republic	
Colombia	Malawi	Tajikistan	
Comoros	Malaysia	Tanzania	
Congo	Maldives	Thailand	
Cook Islands	Mali	Timor-Leste	
Costa Rica	Marshall Islands	Togo	
Côte d'Ivoire	Mauritania	Tonga	
Cuba	Mauritius	Tunisia	
Democratic People's Republic of Korea	Mexico	Turkmenistan	
Democratic Republic of the Congo	Micronesia	Tuvalu	
Djibouti	Moldova	Uganda	
Dominica	Mongolia	Uruguay	
Dominican Republic	Montenegro	Uzbekistan	
Ecuador	Morocco	Vanuatu	
Egypt	Mozambique	Venezuela	
El Salvador	Myanmar	Viet Nam	
Equatorial Guinea	Namibia	West Bank and Gaza Strip	
Eritrea	Nauru	Yemen	
Ethiopia	Nepal	Zambia	
Fiji	Nicaragua	Zimbabwe	
Gabon	Niger		
Gambia	Nigeria		
Georgia	Niue		
Countries only listed as UNFCCC Non-Annex I countries			
Andorra	Brunei Darussalam	Qatar	Saudi Arabia
Bahamas	Israel	Republic of Korea	Singapore
Bahrain	Kuwait	Saint Kitts and Nevis	Trinidad and Tobago
Barbados	Oman	San Marino	United Arab Emirates
Countries only listed as OECD-DAC eligible countries			
Belarus		Tokelau	
Kosovo		Turkey	
Montserrat		Ukraine	
Saint Helena		Wallis and Futuna	

Appendix V – Results of the sensitivity analysis

This section presents the results of the sensitivity analysis introduced in section III for concessional and non-concessional windows using alternative possible outflow-based methodologies, summarized in Table 2 (reproduced here below for easy reference).

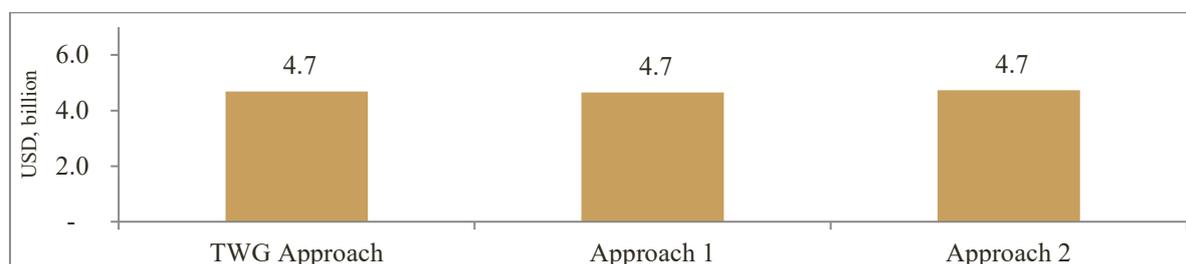
Table 2 – Sensitivity analysis

Window	Approaches	Short description
Concessional	TWG Concessional	Contributions in latest replenishment period and historical contributions
	1	Contributions in latest replenishment.
	2	Historical contributions.
Non-concessional	TWG Non-concessional	Paid-in capital and highly-rated (“A” rating and above) callable capital weighted at 10%.
	A	Paid-in capital.
	B	Callable capital.
	C	Highly-rated callable capital. Highly-rated defined as callable capital from countries with a rating above “A”.
	D	Paid-in and callable capital with equal weights.
	E	TWG approach with variable weights on callable capital (25, 50, 75 and 100% in bar charts)
	F	Voting power
G	TWG approach with highly-rated capital defined as callable capital from countries with ratings AAA or above.	

Concessional windows

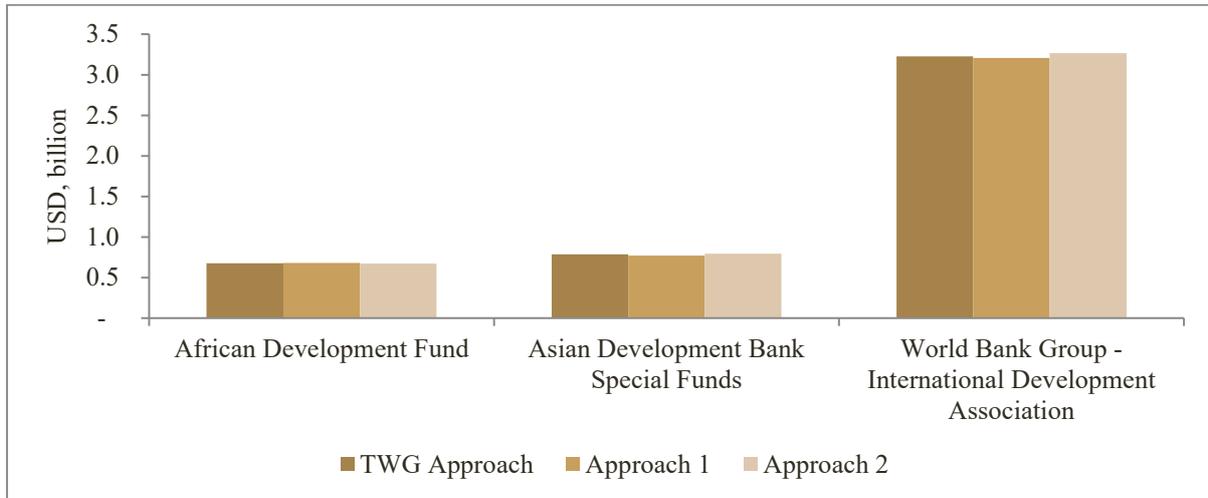
Figures 2 and 3 exclude climate funds and the IDB Sp. Fund. For these institutions, data allowed only for the implementation of the Approach A, and thus comparisons are not possible.

Figure 2 - Amounts attributed to developed countries using different approaches for concessional windows of MDBs (USD, billion)



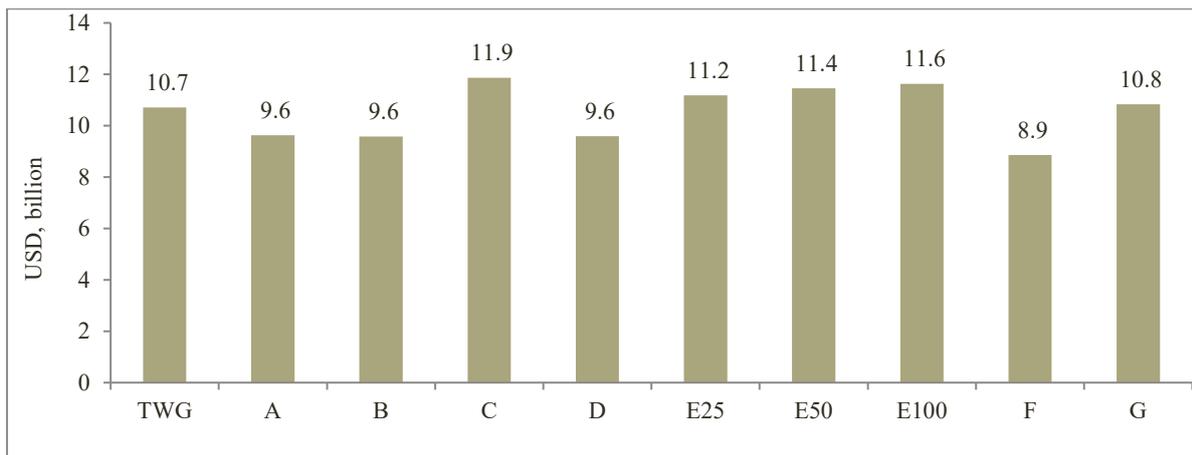
	Amounts attributed to developed countries	Share attributed to developed countries	Variability from TWG approach (% change)
TWG Approach	4.7	95%	
Approach 1	4.7	94%	-0.7%
Approach 2	4.7	95%	1.0%

Figure 3 - Amounts attributed to developed countries using different approaches, by institution (USD, billion)



Non concessional windows

Figure 4 - Amounts attributed to developed countries using different approaches ¹⁶



¹⁶ IFC: the TWG approach – in the case of IFC equal to Approach A as IFC does not have callable capita - was used as a proxy for approaches B and C, to be able to compare totals. EIB: data on EIB voting power were not available in the sources analysed. The TWG approach was used as a proxy to be able to compare totals.

Figure 5 - Variability of non-concessional estimates relative to the TWG approach (% change)

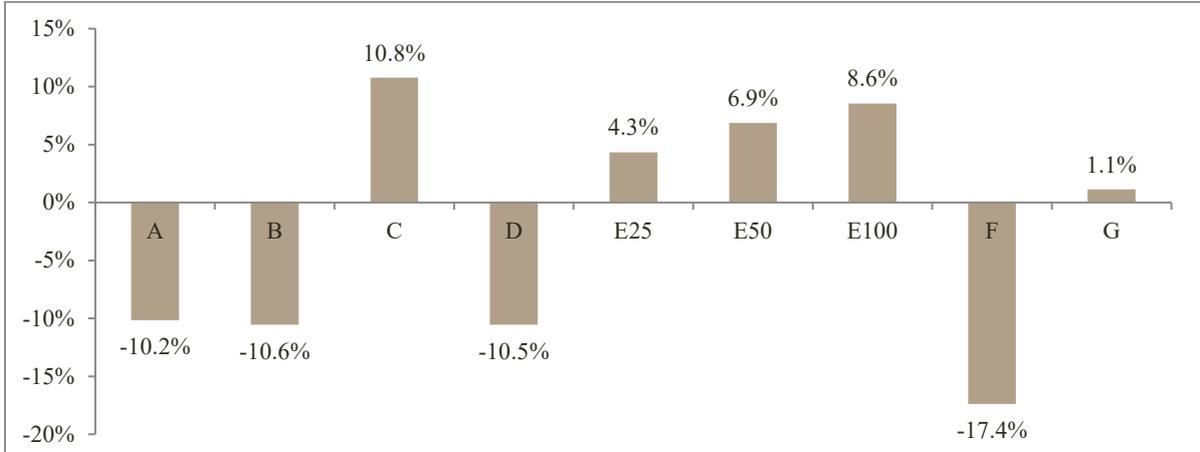


Figure 6 - Amounts attributed to developed countries using different approaches for non-concessional windows of MDBs (USD, billion)

