


Attributing climate-related aid through multilateral institutions

Workshop on tracking climate finance flows from the
private sector and multilateral development banks

OECD/CCXG

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Attributing climate-related aid through multilaterals: background

- DAC members apply climate change markers to their **bilateral flows only**.
 - Applying markers to multilateral contributions would lead to comparability issues with different members scoring the same multilateral institution differently.
 - General principle in DAC statistics: information on the specific uses of multilateral outflows is collected directly from the multilateral agencies.
- Members contributions to climate change through the multilateral agencies need to be assessed (imputed amounts).



Attributing climate-related aid through multilaterals – example of the World Bank

1. Based on World Bank reporting to the DAC on the climate change marker, we calculate the Bank's flows to climate change as a share of the Bank's total outflows: 2.3% for International Development Agency (IDA); (data to be revised upon the implementation of the Bank's new system to track projects with climate co-benefits).
 2. The share obtained in step 1 is applied to members' contributions to IDA.
- => The resulting amounts represent the imputed flows from donors to climate change through IDA. *Imputed multilateral amounts can only ever be an approximation.*

Attributing climate-related aid through multilaterals – example of the World Bank

*Contribution to
IDA = USD 134
million*

Australia

IDA

*IDA's outflows with share
targeted at climate change
= 2.3%*

IDA project

IDA project

**Imputed amount of climate finance through IDA =
 $134 \times 2.3\% = \text{USD } 3 \text{ million}$**



Attributing climate-related aid through multilaterals – example of the World Bank

DAC members	Multilateral contribution to IDA	Imputed amount of climate finance through IDA
Australia	134	= 134 * 2.3% = 3
Austria	139	= 139 * 2.3% = 3.2
...
Total DAC	6913	= 6913 * 2.3% = 159

2008-09 data, USD million

Attributing climate-related aid through multilaterals – agencies to take into account

All outflows targeted at climate change	Only a share of outflows targeted at climate change
<i>Clean Technology Fund (bilateral)</i>	MDBs
<i>Strategic Climate Fund (bilateral)</i>	World Bank Group
<i>Forest Carbon Partnership Facility (bilateral)</i>	Regional development banks
<i>UN REDD (bilateral)</i>	Arab institutions
Montreal Protocol	UN agencies, funds or commissions
Adaptation Fund	European Union
GEF Least Developed Countries Fund	Other multilateral agencies (GEF, ...)
GEF Special Climate Change Fund	
IPCC	



Attributing climate-related aid through multilaterals – work in progress

- Increased coverage in multilateral agencies' reporting at activity level in the Creditor Reporting System (CRS) of the DAC (15 agencies).
- Collaboration with MDBs on climate-related flows tracking to include this dimension in their CRS reporting.



For more information

Methods and data are available on the DAC
website at

www.oecd.org/dac/stats/rioconventions