

Progress towards tracking public and private climate finance

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#COP21

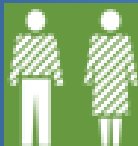
Setting the scene on tracking public and mobilised private climate finance

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Climate-related development finance: improving the statistical picture



THE DEVELOPMENT ASSISTANCE COMMITTEE:
ENABLING EFFECTIVE DEVELOPMENT

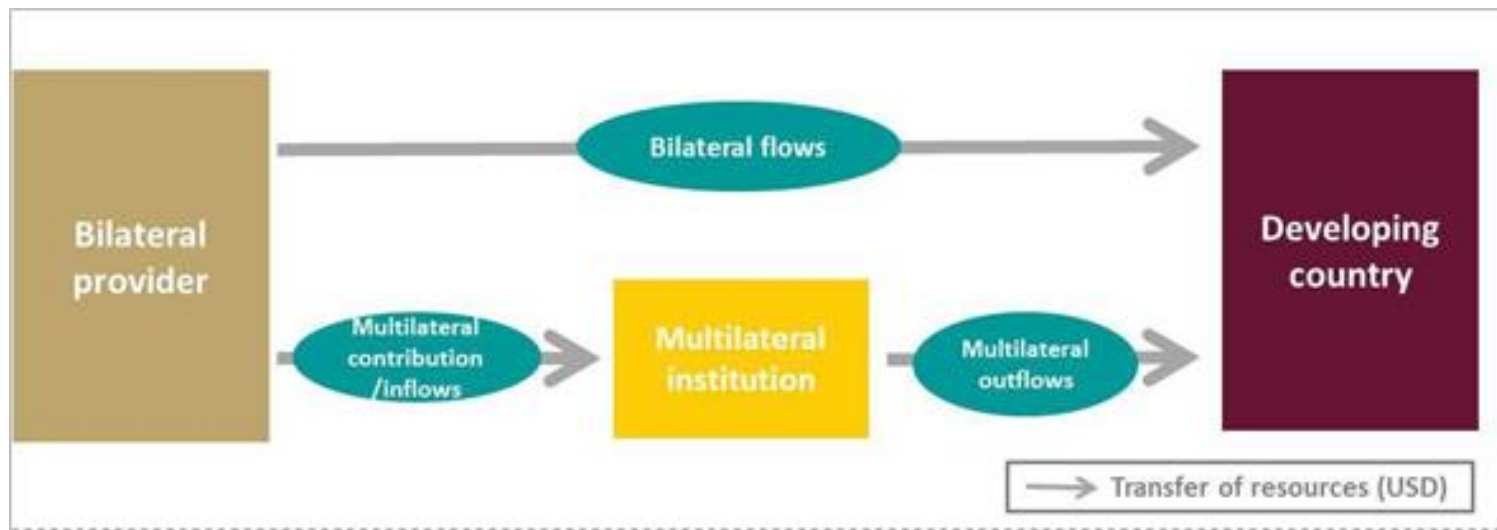


OECD DAC statistics on climate-related development finance

- 1. OECD DAC system:** Basic concepts for financial reporting
- 2. Identifying climate-related development finance & improving quality of data:** Rio marker methodology, definitions and guidance
- 3. Improving coverage of data:** Integrating bilateral and multilateral finance

OECD DAC system: Basic concepts for financial reporting on developing finance

- Standardised financial data collection concepts provide a basis to support more consistent, comparable and transparent reporting
 - *e.g. exchange rates, commitments, disbursements, ODA and OOF, financial instrument, sector....*
- Data system tracking inflows and outflows, provider and recipient perspectives



Identifying climate-related development finance & improving quality of data

- **“Rio markers” Climate change adaptation and mitigation**
 - Indicate policy objectives
 - i.e. activities targeting climate change as a *principal* objective, a *significant* objective, or not at all
 - Track mainstreaming...
- **“fine tuning” the definitions, eligibility criteria and guidance**
 - To facilitate reporting, improve quality and harmonisation
 - Update terminology and indicative table to guide marking by sector/sub-sector.
 - Enhancing common approaches and comparability with other tracking initiatives, e.g. drawing on MDB positive list, 3-step adaptation approach, KfW guidance

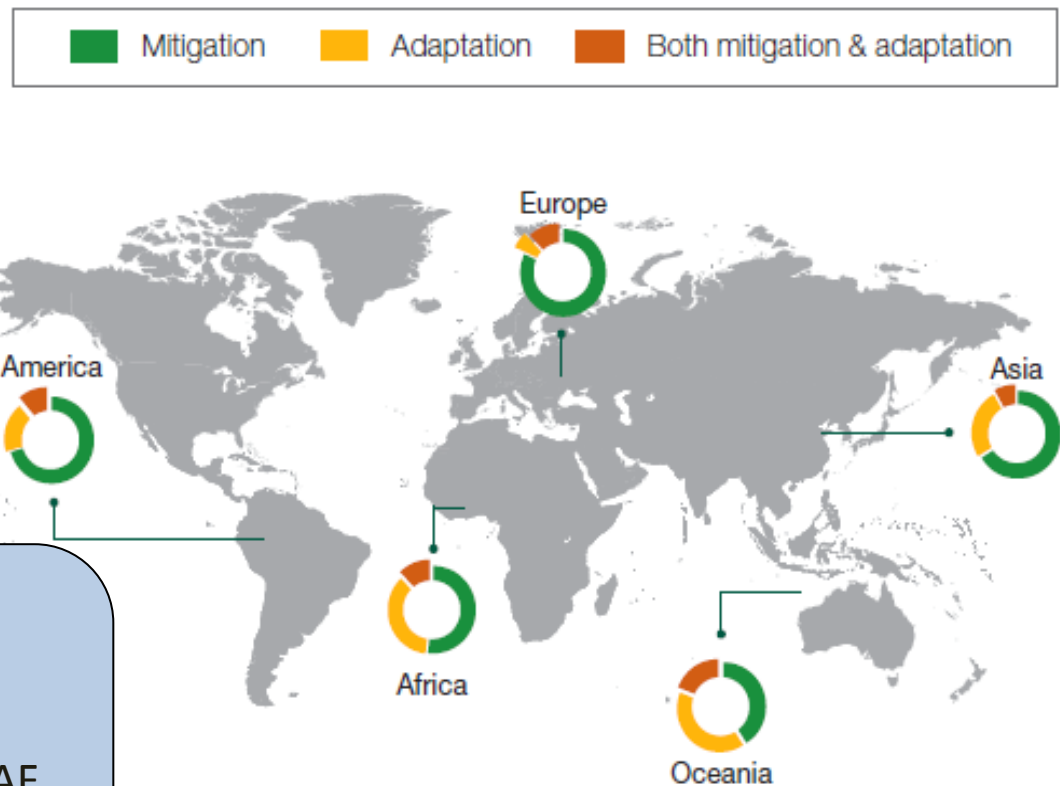


Improving coverage of data: Integrating bilateral and multilateral finance

- **Transparency** -> Project-level data publically available
- **Robustness** -> data collected and monitored against standardised classifications, *improves consistency and avoids double counting*

Over 8,000 activities p.a. reported by;

- DAC members,
- 6 main MDBs,
- climate-specific and related funds (AF, CIFs, GEF, NDF),
- reporting from non-DAC countries and other organisations (e.g. UAE, IsDB)

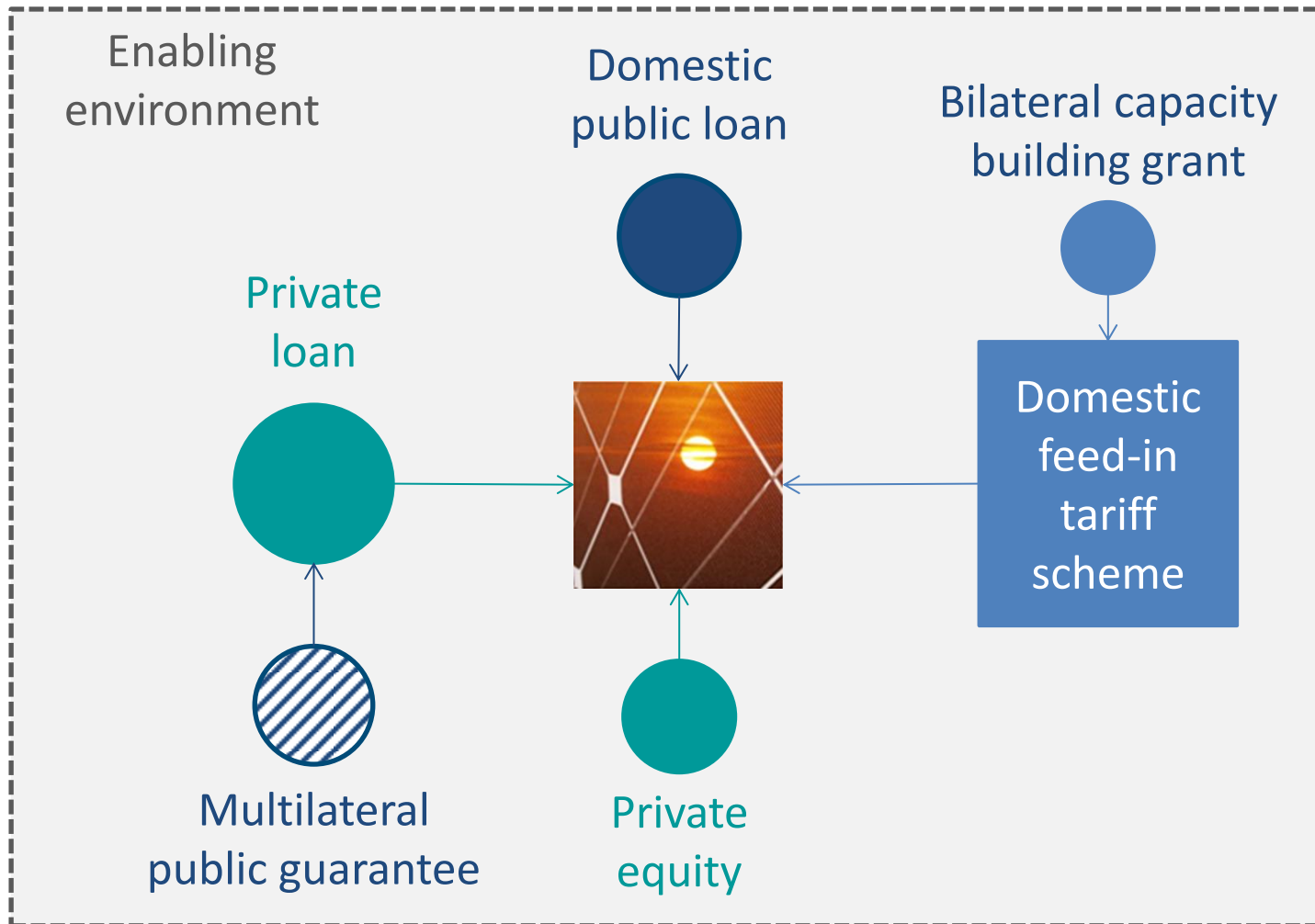


C. 2013-14 average, USD constant 2013 prices, 2014 data are provisional.

Estimating mobilised private finance: recent progress and remaining challenges



Illustration of direct and indirect drivers of private finance for climate action



Significant efforts under way to develop methodologies and collect data

Joint-bilateral finance institutions pilot estimate



Joint-MDBs approach and reporting of co-financing



Instrument-specific methods and statistical data collection



Country-level pilot studies of mobilised private finance



Sector-level pilot studies and investigation of indirect mobilisation



Updated information at: www.oecd.org/env/researchcollaborative/on-going-activities.htm

Progress on data availability for measuring direct mobilisation of private finance

	Private climate finance mobilised by...	
Public finance instruments	Bilateral public climate finance	Multilateral public climate finance*
Grants	Complete	Complete
Concessional loans	Comprehensive	Comprehensive
Non-concessional loans	Complete	Comprehensive
Credit lines	Complete	Unavailable
Direct equity	Very Partial	Very Partial
Fund-level equity	Complete	Very Partial
Guarantees	Comprehensive	Comprehensive

Spectrum of data coverage				
Complete	Comprehensive	Partial	Very Partial	Unavailable

Source: Source: OECD (2015), "Climate finance in 2013-14 and the USD 100 billion goal", a report by the Organisation for Economic Co-operation and Development (OECD) in collaboration with Climate Policy Initiative (CPI). <http://www.oecd.org/environment/cc/OECD-CPI-Climate-Finance-Report.htm>

Some areas requiring further work

- Optimise **co-ordination** across countries, development finance providers and the OECD DAC on data and methodologies
- Develop **alternative methods** to equating mobilisation with co-financing and to attribution using volume-based pro-rating only
- Pursue work to highlight and report on the mobilisation effect of **developing country interventions**
- Research data and methods to estimate **indirect mobilisation** to complement monitoring of private finance mobilised directly
- Explore practical solutions to address the issue of **private finance data confidentiality** e.g. degree of collective reporting

Climate finance in 2013-14 and the USD 100 billion goal

A report by OECD in collaboration with CPI



Transparent accounting, drawing on initiatives across the international community...

Figure 3: Illustration of funding sources included in the aggregate estimate of climate finance mobilised by developed countries (not to scale)



- **Transparency** - outlining an accounting framework, working classifications and methodological approaches
- **Comprehensive (though preliminary) figures for public** climate finance in 2013 and 2014; accelerated reporting from Parties and MDBs
- **Preliminary partial estimates of mobilised private** climate finance.
- **Multilateral** public and private flows are not counted in their entirety, rather, a **share is attributed** to developed economies.

Public and private climate finance mobilised by developed countries for developing countries:

Figure 1: Mobilised climate finance in 2013 and 2014, by funding source (USD billions)

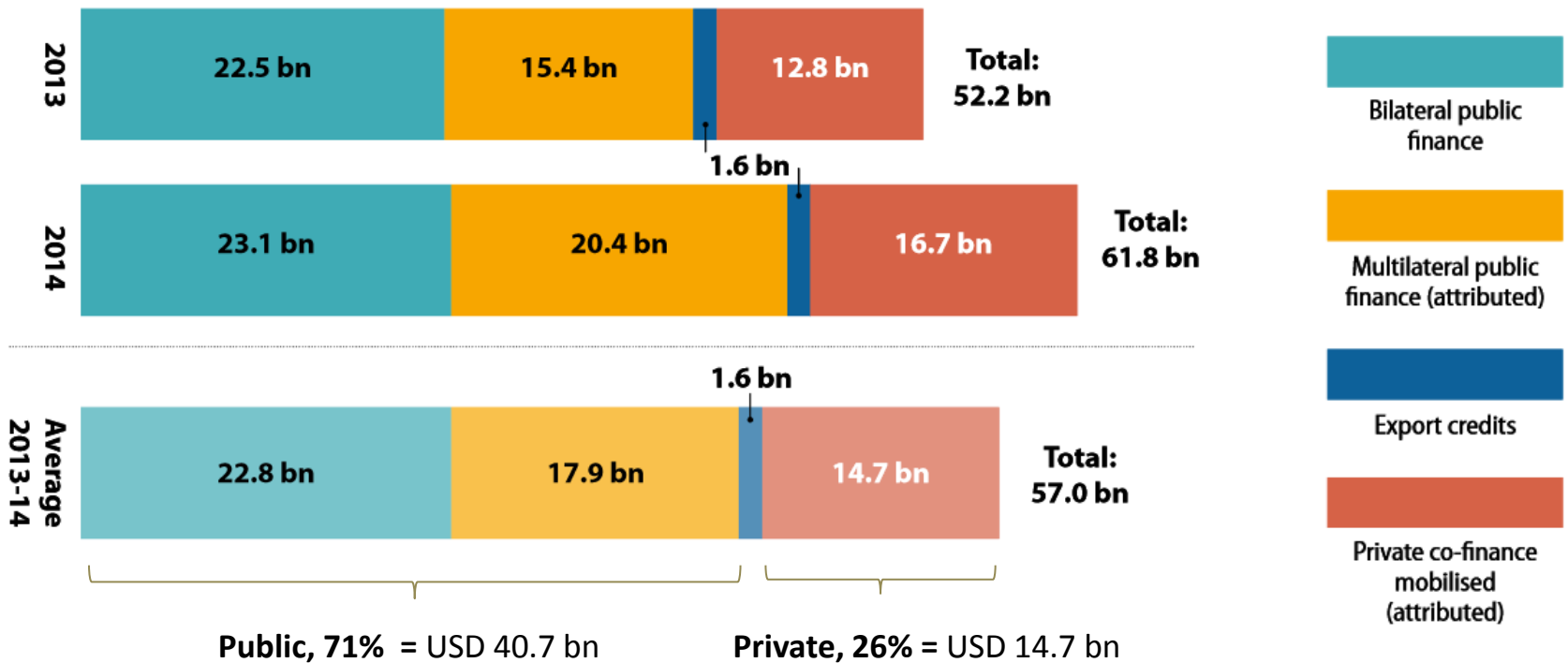
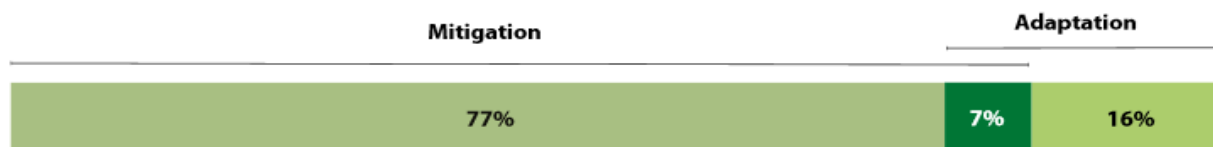


Figure 10: Mobilised Climate Finance in 2013-14, thematic allocation



Source: OECD (2015)

Thank you!



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<http://www.oecd.org/env/cc/oecd-cpi-climate-finance-report.htm>

