Climate Finance Provided and Mobilised by Developed Countries in 2013-17

OECD

BETTER POLICIES FOR BETTER LIVES

Climate Finance Provided and Mobilised by Developed Countries in 2013-17

OECD
BETTER POLICIES FOR BETTER LIVES

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Please cite this publication as:
OECD (2019), *Climate Finance Provided and Mobilised by Developed Countries in 2013-17*, OECD Publishing, Paris, *https://doi.org/10.1787/39faf4a7-en*.

ISBN 978-92-64-46653-1 (pdf)

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Corrigenda to OECD publications may be found on line at: *www.oecd.org/about/publishing/corrigenda.htm*.

© OECD 2019

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgement of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to *rights@oecd.org*. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at *info@copyright.com* or the Centre français d'exploitation du droit de copie (CFC) at *contact@cfcopies.com*.

Context

This report was prepared by the OECD in response to a request by developed countries to help better understand climate finance trends. The report presents annual volumes of climate finance provided and mobilised by developed countries for developing countries for the period 2013 to 2017. It includes the following four components: bilateral public climate finance, multilateral public climate finance (attributable to developed countries), climate-related export credits, and private finance mobilised by bilateral and multilateral public climate finance (attributed). This report is an updated version of an interim report made publicly-available by the OECD in November 2018, which provided estimates for the period 2013 to 2017 for the first three of these four components. The estimates of these components are unchanged in this report, the aim of which is primarily to provide new estimates of private mobilised finance for 2016-17.

At the time of writing, 2018 aggregate climate finance figures were already available for certain providers (most notably multilateral development banks). However, these figures are not compiled on the same basis as the estimates presented here. The underlying activity-level data for these 2018 figures will not be reported to the OECD in the required standardised format until later in 2019. Bilateral climate finance data for 2018 will not be officially reported by developed country Parties to the UNFCCC before January 2020, when the fourth Biennial Reports are due. For the data from all of these finance providers, the OECD will need to undertake subsequent analysis, adjustment (as required) and quality assurance. These processes mean that estimates of 2018 climate finance cannot be produced before 2020.

The accounting framework that underpins this report is consistent with the one used by the OECD in 2015 to produce estimates of climate finance for the years 2013-14 (OECD, 2015[1]), as well as that used in 2016 to produce 2020 projections of climate finance (OECD, 2016[2]), although such projections were based on pledges rather than data on actual public climate finance provided. This accounting framework is also consistent with the outcome of the UNFCCC COP24 in relation to modalities for the accounting of financial resources provided and mobilised through public interventions (UNFCCC, 2019[3]).

Acknowledgements

The report was prepared by the following OECD staff members:

- Raphaël Jachnik (Environment Directorate) co-ordinated the analysis and led the drafting;
- Mariana Mirabile (Environment Directorate) produced the main quantitative analysis of public bilateral and multilateral climate finance, with input from Brilé Anderson (Environment Directorate) who compiled and quality checked bilateral data;
- Guillaume Simon (Development Co-operation Directorate) collected and quality checked multilateral climate finance data;
- Tomáš Hos, Cécile Sangaré (Development Co-operation Directorate) and Raphaël Jachnik collected, quality checked and analysed data on private finance mobilised by bilateral and multilateral public climate finance;
- Michael Gonter (Trade and Agriculture Directorate) compiled and provided data on officially-supported export credits for renewable energy;
- Giorgio Gualberti (Development Co-operation Directorate) contributed with an analysis of development finance trends.

The report was produced with input and guidance from Simon Buckle and Jane Ellis (Environment Directorate). It benefited from further comments by Haje Schütte, Julia Benn and Jens Sedemund (Development Co-operation Directorate), as well as from Nicolina Lamhauge (Environment Directorate).

Table of contents

Context 3

Acknowledgements 4

1. Key results 7

2. Estimates of climate finance 11
   2.1. Aggregate trends 12
   2.2. Thematic split 14
   2.3. Financial instruments 19
   2.4. Regions 23
   2.5. Climate and development finance 26

3. Coverage, data and methods 30
   3.1. General methodological considerations 31
   3.2. Bilateral public finance data 33
   3.3. Multilateral public finance data and attribution 34
   3.4. Export credit financing data 35
   3.5. Mobilised private finance data and attribution 35

References 41

Links 43

Tables

Table 1.1. Climate finance provided and mobilised by developed countries (USD billion) 8
Table 3.1. Overview of the categories of finance considered 31
Table 3.2. Share of multilateral finance attributable to developed countries 34
Table 3.3. Changes in methods for measuring mobilised private finance in 2016-17 36
Table 3.4. Comparison of DAC and MDB methods for a syndicated loan 38
Table 3.5. Coverage of data collected on mobilised private finance, climate and non-climate, 2016-2017 39

Figures

Figure 2.1. Climate finance provided and mobilised by developed countries (USD billion) 13
Figure 2.2. Public finance 2013-17 estimates and 2020 projection (USD billion) 14
Figure 2.3. Thematic split of developed countries' public climate finance (USD billion) 15
Figure 2.4. Thematic split of developed countries' bilateral climate finance 15

Figure 2.5. Thematic split of multilateral climate finance (attributed to developed countries) 16
Figure 2.6. Thematic split of private climate finance mobilised by developed countries' public climate finance 17
Figure 2.7. Thematic split of public climate finance to LDCs (left) and SIDS (right) (%) 18
Figure 2.8. Instrument split of public climate finance to LDCs (left) and SIDS (right) (%) 18
Figure 2.9. Instrument split of developed countries' public climate finance (USD billion) 19
Figure 2.10. Developed countries' bilateral public climate finance per instrument 20
Figure 2.11. Multilateral public climate finance (attributed to developed countries) per instrument 20
Figure 2.12. Bilateral climate finance developmental loans by concessionality level, (2016-17) 21
Figure 2.13. Climate finance loans from MDBs by concessionality level (2016-17) 21
Figure 2.14. Developed countries' climate-related export credits per instrument 22
Figure 2.15. Private finance mobilised by developed countries public climate finance instruments (2016-2017) 23
Figure 2.16. Regional split of developed countries' public climate finance (USD billion) 24
Figure 2.17. Developed countries' bilateral public climate finance per region 24
Figure 2.18. Multilateral public climate finance (attributed to developed countries) per region 25
Figure 2.19. Developed countries' climate-related export credits per region 25
Figure 2.20. Private finance mobilised by developed countries' public climate finance per region (2016-17) 26
Figure 2.21. Share of climate-related finance in official development assistance (USD billion) 27
Figure 2.22. Share of climate finance in total multilateral commitments (USD billion) 27
Figure 2.23. Total development finance in main social and climate-relevant sectors, 2013-17 (USD billion) 28
Figure 2.24. ODA: Climate-related finance in key climate-relevant sectors 29
Figure 2.25. Multilateral development finance: climate finance in key climate-relevant sectors 29

Boxes

Box 2.1. Developed countries' public climate finance to LDCs and SIDS 18
Box 2.2. Concessionality of loans: elements of definitions and illustrations 21
Box 3.1. OECD and MDB approaches for measuring mobilised private finance 38

1. Key results

Aggregate trends

- **Climate finance provided and mobilised by developed countries** reached USD 71.2 billion in 2017, up from USD 58.6 billion in 2016 (a 21% increase). This includes four components: bilateral public, multilateral public (attributed to developed countries), officially-supported export credits and mobilised private finance (Table 1.1).
- While the figures presented for public climate finance (bilateral, multilateral, export credits) constitute a consistent year-on-year time series from 2013 to 2017, the grand totals (including mobilised private climate finance) for 2016 and 2017 are not directly comparable with those for 2013 and 2014 due to the implementation of enhanced measurement methodologies and a resulting gap in the time series for mobilised private finance in 2015.

Table 1.1. Climate finance provided and mobilised by developed countries (USD billion)

	2013	2014	2015	2016	2017
Bilateral public climate finance (1)	22.5	23.1	25.9	28.0	27.0
Multilateral public climate finance attributable to developed countries (2)	15.5	20.4	16.2	18.9	27.5
Subtotal (1+2)	**37.9**	**43.5**	**42.1**	**46.9**	**54.5**
Climate-related officially-supported export credits (3)	1.6	1.6	2.5	1.5	2.1
Subtotal (1+2+3)	**39.5**	**45.1**	**44.6**	**48.5**	**56.7**
Private climate finance mobilised (4)	12.8	16.7	N/A	10.1	14.5
Of which by bilateral public climate finance	*6.5*	*8.1*	*N/A*	*5.0*	*3.7*
Of which by multilateral public climate finance attributable to developed countries	*6.2*	*8.6*	*N/A*	*5.1*	*10.8*
Grand Total (1+2+3+4)	**52.2**	**61.8**	**N/A**	**58.6**	**71.2**

Note: The sum of components may not add up to totals due to rounding. The gap in time series in 2015 for mobilised private finance is due to the progressive implementation of enhanced measurement methodologies (see (OECD DAC, 2019[4])). As a result, grand totals in 2016-17 and in 2013-14 are not directly comparable.
Source: 2013-14: see (OECD, 2015[1]). 2017 bilateral: based on donor countries' advanced reporting to the OECD; 2015-16 bilateral: based on third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD). Multilateral: based on (OECD DAC, 2019[6]). Export credits: based on (OECD TAD, 2018[7]) and countries' complementary reporting to the OECD. 2016-17 mobilised private finance: based on (OECD DAC, 2019[4]), complementary reporting to the OECD, as well as access to IFC private mobilisation data in a secure room at IFC premises.

- **Public climate finance** from developed to developing countries increased from USD 37.9 billion in 2013 to USD 54.5 billion in 2017, and from USD 39.5 to USD 56.7 billion when including climate-related officially-supported export credits. In both cases, this corresponds to a 44% increase.
- From 2013 to 2017, bilateral public climate finance grew from USD 22.5 to USD 27.0 billion (20% increase), multilateral public climate finance (attributable to developed countries) from USD 15.5 to USD 27.5 billion (77% increase). Year-on-year trends differ: in 2017, a slight fall in bilateral finance, after yearly increases since 2013, is more than offset by a sharp rise of multilateral finance.
- There remains scope for individual bilateral and multilateral providers to further improve the transparency of their methods to account for public climate finance, including activity-level disclosure of information relating to the percentage of projects they report as climate finance.
- **Private climate finance mobilised** by developed countries' public climate finance (through both bilateral and multilateral channels) amounted to USD 10.1 billion in 2016 and USD 14.5 billion in 2017. Estimates in 2013 and 2014 were USD 12.8 and 16.7 billion respectively.

- The levels of mobilised private finance in 2016-17 relative to 2013-14 is mainly due to improvements both in methods to estimate mobilised private finance and in the granularity of resulting data collection. The characteristics of public climate finance (e.g. destination, thematic split, sector, instrument), however, also affect its mobilisation potential.
- Some multilateral development banks have recently raised confidentiality restrictions relating to mobilised private finance data. If unresolved, these restrictions will negatively impact the depth and accuracy of future analyses and reports by limiting the ability to complete the necessary quality checks (e.g. validation of causality assumptions and amounts, attribution).

Thematic split

- In 2017, the thematic split of the USD 71.2 billion estimated total was: USD 13.3 billion (19%) for adaptation, USD 5.5 billion (8%) for cross-cutting activities and USD 52.4 billion (73%) for mitigation. In 2013, the corresponding split of the USD 52.2 billion total was: USD 9.1 billion for adaptation (17%), USD 3.5 billion for cross-cutting (7%) and USD 39.6 billion for mitigation (76%).
- Public finance (excluding export credits) for adaptation rose from USD 7.8 billion in 2013 to USD 12.9 billion in 2017 (a 65% increase), mitigation finance from USD 26.6 billion to USD 36.8 billion (a 38% increase), and finance for cross-cutting activities, which address both mitigation and adaptation, from USD 3.5 billion to USD 4.8 billion (a 37% increase).
- The share of adaptation in public climate finance in 2016-17 is significantly higher for LDCs (45%) and SIDS (43%) than for all developing countries (22%), and than for developing countries that qualify as upper-middle- or high-income economies (16%).
- The thematic split of bilateral climate finance has remained broadly stable since 2013: mitigation continues to represent two-thirds (USD 17.8 billion in 2017, up from USD 15.0 in 2013), and adaptation slightly more than 20% (USD 5.6 billion in 2017, up from USD 4.7 billion in 2013). The share of cross-cutting activities was stable over the period (USD 3.7 billion and 13% in 2017).
- The share of adaptation in multilateral climate finance increased from 20% (USD 3.1 billion) in 2013 to 27% (USD 7.4 billion) in 2017, while the share of mitigation decreased from 75% (USD 11.6 billion) to 69% (USD 19.0 billion). Multilateral climate finance less often takes the form of cross-cutting activities, (between 4% and 8% depending on the year) or is not reported as such.
- Climate-related export credits are almost exclusively provided for mitigation, but data reporting beyond renewable energy is very limited. Over 90% of private finance mobilised also continues to benefit mitigation. There is, however, room for public climate finance providers to better identify adaptation-relevant activities within mobilised private finance datasets.

Instrument and regional splits

- For public climate finance, grant financing increased by 25% between 2013 and 2017, going from USD 10.3 billion to USD 12.8 billion, while loans (both concessional and non-concessional) doubled to reach USD 39.9 billion in 2017 compared to USD 19.8 billion in 2013. In 2016-17, over two-thirds of bilateral loans were concessional; over 70% of multilateral loans were non-concessional, (though with favourable conditions compared to markets or provided where and at times when the private sector may be reluctant to participate).
- The relative mix of public finance instruments was stable over the period 2013 to 2017. Grants represent over a third of bilateral and less than 10% of multilateral climate finance. Loans accounted for about 60% of bilateral and close to 90% of multilateral climate finance. The share of equity remains low: 1% of bilateral and 2% of multilateral portfolios respectively in 2017.

- The share of grants in public climate finance in 2016-17 is significantly higher for LDCs (36%) and SIDS (54%) than for developing countries as a whole (24%), and than for developing countries that qualify as upper-middle- or high-income economies (10%).
- Private climate finance was mobilised by bilateral and multilateral providers through the following public finance mechanisms: direct investments in companies and special purpose vehicles (52%), guarantees (21%), credit lines (12%), loan syndications (9%), simple co-financing and investments in funds (3% each). The OECD DAC is undertaking work to, where plausible and feasible, also cover private finance mobilised by technical assistance. Further OECD work may also identify ways to highlight the catalytic effect of capacity building and policy interventions on private finance.
- In 2017, all regions received higher levels of public climate finance than in 2013. Asia, followed by Africa and Latin America, received the largest shares of both bilateral and multilateral climate finance throughout the period (jointly accounting for more than 80% in any given year). In terms of variation in volumes between 2013 and 2017, public finance to Africa increased the most, more than doubling to reach USD 15.9 billion. Comparatively, for mobilised private finance, the respective share of Africa is lower, and that of the Middle East higher.

Implications in relation to projected climate finance in 2020

- The 2017 and 2016 public climate figures of USD 54.5 billion and USD 46.9 billion respectively are consistent with a linear pathway to the level of public climate finance from developed countries that the OECD has previously projected would be reached in 2020, i.e. USD 66.8 billion, excluding export credits.
- Those OECD projections did not include a specific level of mobilised private finance. Rather, they indicated a range of possible outcomes for total climate finance that could be achieved for a given level of public climate finance and different private finance mobilisation ratios.
- The estimated ratios of mobilised private to public finance in 2016-17 are lower than those previously estimated for 2013-14. This is mainly due to the implementation of enhanced methodologies for measuring mobilised private finance.
- Achieving a given level of total climate finance in 2020 requires continued efforts to scale up public finance and improve its effectiveness in mobilising private finance. However, this effectiveness depends on the characteristics of public climate finance, e.g. destination, thematic split, sector, instrument.
- Activity-level data for 2018 and 2019 are not available yet. These data will provide a better indication of how public finance and mobilised private finance are evolving.

Climate and development finance

- Between 2014 and 2017, the share of climate-related Official Development Assistance reported to the OECD DAC remained stable at around 20-21%, after a slight increase between 2013 and 2014. During this same period, the share of multilateral climate finance in total multilateral outflows to ODA-eligible countries grew from 18% in 2013 to 28% of total multilateral outflows in 2017.
- While the sectoral composition of development finance is changing, it is not possible to attribute the causality of such change to climate-related allocations: aggregate ODA trends in climate-sensitive sectors (e.g. energy, transport) and social sectors (e.g. education and health) display very similar patterns.
- The current shares of climate-related financing within climate-sensitive sectors indicate that there remains substantial scope to further mainstream climate considerations within development finance in line with developing country priorities.

2. Estimates of climate finance

This report presents annual volumes of public climate finance provided and private climate finance mobilised by developed countries for developing countries for the period 2013 to 2017. The accounting framework is consistent with the one used by the OECD in 2015 to develop estimates for the years 2013-14 (OECD, 2015[1]), as well as in 2016 to develop 2020 climate finance projections (OECD, 2016[2]), although such projections were based on pledges rather than data on actual finance provided. This accounting framework is also consistent with the outcome of the UNFCCC COP24 in relation to modalities for the accounting of financial resources provided and mobilised through public interventions (UNFCCC, 2019[3]).

As detailed in Section 3, the estimates presented here include four distinct climate finance components: bilateral public finance, multilateral public finance (attributable to developed countries), officially-supported export credits and private finance mobilised by bilateral and multilateral public climate finance. The data for 2015 is, however, characterised by a one year data gap in the time series for mobilised private finance, owing to the progressive implementation of enhanced measurement methodologies (see Section 3.5). As a result, while the figures presented for public climate finance (bilateral, multilateral, export credits) constitute a consistent year-on-year time series from 2013 to 2017, the grand totals (including mobilised climate finance) for 2016 and 2017 cannot be directly compared with those for 2013 and 2014.

2.1. Aggregate trends

2.1.1. Estimates

Total climate finance provided and mobilised by developed countries for climate action in developing countries reached USD 71.2 billion in 2017 (Figure 2.1). Over the period 2013 to 2017, climate finance shows both a strong upward trend and year-to-year variability, reflecting the development and approval of the underlying projects financed. The four components of these estimates are characterised by different trends and year-on-year variations. They also differ in terms of their coverage and consistency, both across providers and across time, in a way that is described in Section 3.

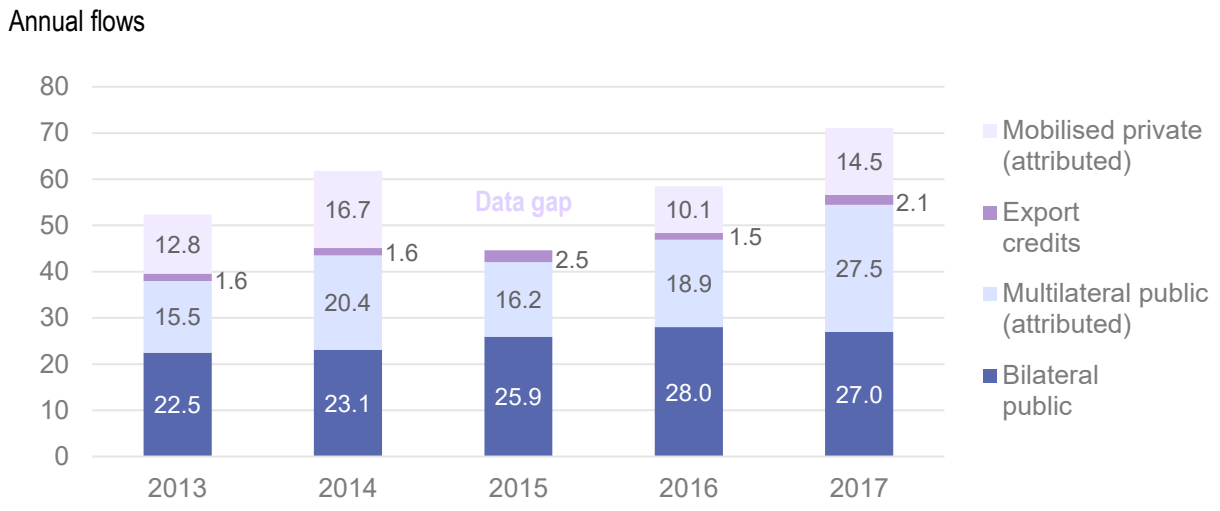
Public climate finance increased by 44% from USD 37.9 billion in 2013 to USD 54.5 billion in 2017, USD 56.7 billion when including climate-related officially-supported export credits. Public climate finance provided through bilateral channels grew steadily year-on-year from USD 22.5 billion in 2013 to USD 28.0 billion in 2016 but dropped by USD 1 billion in 2017 to USD 27.0 billion. Multilateral climate finance attributable to developed countries (see Section 3.3) grew from USD 15.5 billion in 2013 to USD 27.5 billion in 2017, with a particularly noticeable increase of USD 8.6 billion in 2017. This increase took overall developed countries' public climate finance to developing countries to a level well above the range for the period 2013 to 2016.

This report includes export credits (loans and guarantees) extended by official agencies as a source of climate finance when provided in sectors and for activities relevant to climate change mitigation and adaptation. Climate-related export credits provided by developed countries increased from USD 1.6 billion in 2013 to USD 2.1 billion in 2017, although with year-on-year volatility. Volumes are the largest for provider countries exporting renewable energy technologies. In order to avoid risks of double counting, export credits provided by a given export credit agency are, where relevant, subtracted from the amounts that could otherwise have been accounted as private finance mobilised by that agency.

Private climate finance mobilised by developed countries' public climate finance (both bilateral and multilateral attributed to developed countries) accounted for USD 10.1 billion in 2016 and USD 14.5 billion in 2017. The estimates in 2013 and 2014 were USD 12.8 and USD 16.7 billion respectively. The difference in these estimates is in part due to improvements both in methods to measure mobilised private finance and in the granularity of resulting data collection. An increase in public adaptation finance, especially from

multilaterals (in both absolute and relative terms), may also contribute to explaining this trend, as private finance reported as mobilised within adaptation projects is low (see Section 2.2).

Figure 2.1. Climate finance provided and mobilised by developed countries (USD billion)



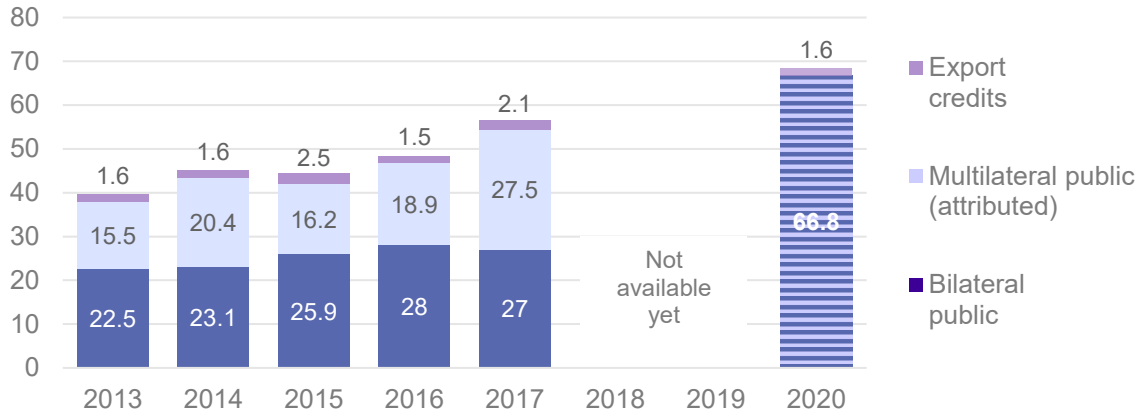
Note: "Multilateral public" does not represent total outflows from multilateral institutions to developing countries but only the share calculated by the OECD as attributable to developed countries. The data gap in 2015 for mobilised private finance is due to the progressive implementation of enhanced measurement methodologies (see (OECD DAC, 2019[4])). As a result, grand totals in 2016-17 and in 2013-14 are not directly comparable.
Source: 2013-14: see (OECD, 2015[1]). 2017 bilateral: based on donor countries' advanced reporting to the OECD; 2015-16 bilateral: based on third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD). Multilateral: based on (OECD DAC, 2019[6]). Export credits: based on (OECD TAD, 2018[7]) and countries' complementary reporting to the OECD. 2016-17 mobilised private finance: based on (OECD DAC, 2019[4]), complementary reporting to the OECD, as well as access to IFC private mobilisation data in a secure room at IFC premises.

2.1.2. Implications in relation to projected climate finance in 2020

In October 2016, the OECD produced projections of developed countries' public finance in 2020 based on an analysis of pledges made by developed countries and multilateral institutions by that point in time, as well as a number of assumptions (OECD, 2016[2]). On this basis, developed countries' public finance in 2020 was projected to reach USD 66.8 billion. This projection informed the Roadmap that was prepared and released by developed countries shortly thereafter (United Kingdom and Australia, 2016[8]).

Public climate finance figures presented in this report for 2017 (USD 54.5 billion) and for 2016 (USD 46.9 billion), are consistent with a linear pathway to this projected amount (USD 0.7 billion lower in each year). For export credits, the 2020 projection conservatively assumed flat volumes at USD 1.6 billion on the basis of known figures for 2013 and 2014, as export credits are primarily driven by demand, rather than by government pledges. While tracked climate-related export credits for 2017 accounted for a higher amount (USD 2.1 billion), corresponding amounts in 2016 (USD 1.5 billion) and 2015 (USD 2.5 billion) further underline the volatility of this component, which in any case remains a small share of total climate finance.

Figure 2.2. Public finance 2013-17 estimates and 2020 projection (USD billion)



Note: "Multilateral public" does not represent total outflows from multilateral institutions to developing countries but only the share calculated by the OECD as attributable to developed countries.
Source: 2013-14: see (OECD, 2015[1]). 2017 bilateral: based on donor countries' advanced reporting to the OECD; 2015-16 bilateral: based on third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD). Multilateral: based on (OECD DAC, 2019[6]). Export credits: based on (OECD TAD, 2018[7]) and countries' complementary reporting to the OECD. 2020 projections: (OECD, 2016[2])

The OECD projections published in 2016 did not include a specific level of mobilised private finance. Rather, they indicated a range of possible outcomes for total climate finance that could be achieved for a given level of public climate finance and different private finance mobilisation ratios. The estimated ratios of mobilised private to public finance in 2016 and 2017 are lower than those previously estimated for 2013 and 2014. This is mainly due to the implementation of enhanced methodologies for measuring mobilised private finance.

Achieving a given level of total climate finance in 2020 requires continued efforts to scale up public finance and improve its effectiveness in mobilising private finance. However, this effectiveness depends on the characteristics of public climate finance, e.g. destination, thematic split, sector and instrument. Activity-level data for 2018 and 2019 are not available yet. These data will provide a better indication of how public finance and mobilised private finance are evolving.

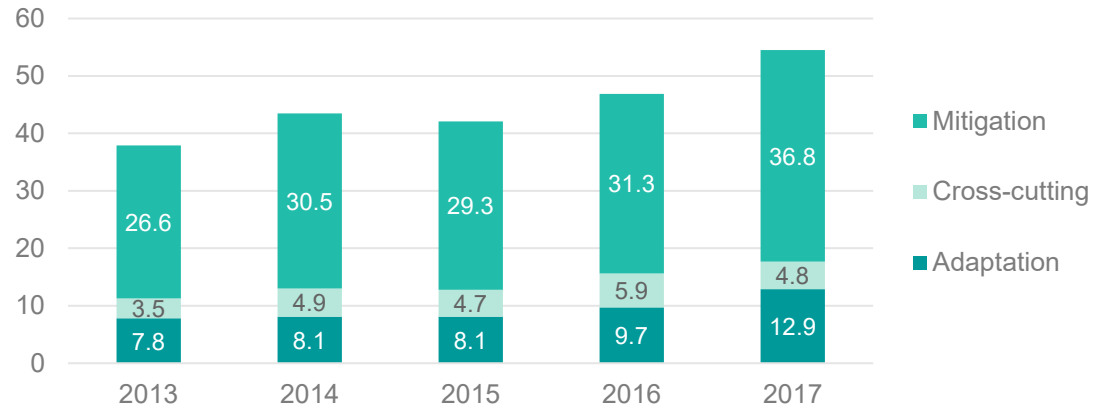
2.2. Thematic split

In 2017, the thematic split of the USD 71.2 billion estimated total was as follows: USD 13.3 billion (19%) for adaptation, USD 5.5 billion (8%) for cross-cutting activities and USD 52.4 billion (73%) for mitigation. In 2013, the corresponding split of the USD 52.2 billion was: USD 9.1 billion for adaptation (17%), USD 3.5 for cross-cutting (7%) and 39.6 for mitigation (76%). The following three sections provide further breakdowns for public finance, export credits and mobilised private finance.

2.2.1. Public climate finance

Figure 2.3 presents the thematic split of developed countries' public climate finance (bilateral and multilateral attributable to developed countries combined). Finance for adaptation rose from USD 7.8 billion to USD 12.9 billion (a 65% increase), mitigation finance from USD 26.6 billion in 2013 to USD 36.8 billion in 2017 (a 38% increase), and finance for cross-cutting activities from USD 3.5 billion to USD 4.8 billion (a 37% increase). In 2017, this brings the respective shares of finance for mitigation, adaptation and cross-cutting activities to 69%, 23% and 8%, respectively.

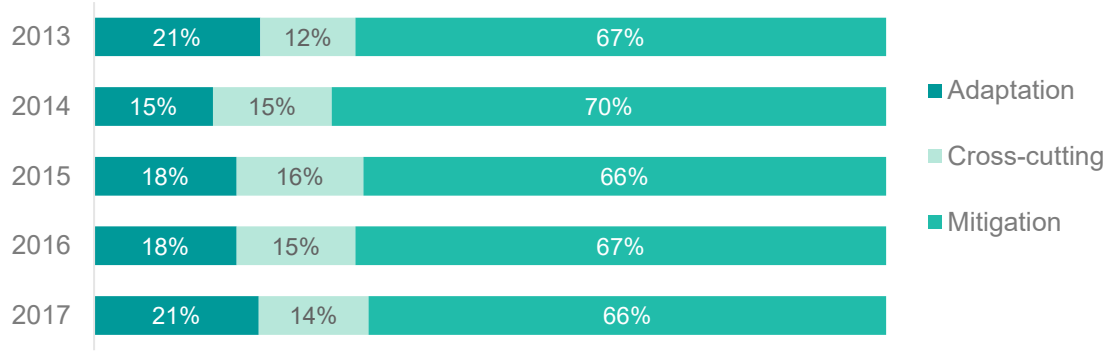
Figure 2.3. Thematic split of developed countries' public climate finance (USD billion)



Note: "Cross-cutting" relates to projects with both mitigation and adaptation benefits or to climate finance that was not yet allocated to mitigation and/or adaptation at the point of reporting e.g. capacity-building grants, which the recipient will decide the use of.
Source: 2013-14: see (OECD, 2015[1]). 2017 bilateral: based on donor countries' advanced reporting to the OECD; 2015-16 bilateral: based on third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD). Multilateral: based on (OECD DAC, 2019[6]).

For bilateral public climate finance, the thematic split remained broadly stable between 2013 and 2017 (Figure 2.4): mitigation continues to represent two-thirds (USD 17.8 billion in 2017 up from USD 15.0 billion in 2013), adaptation 21% (USD 5.6 billion in 2017 up from USD 4.7 billion in 2013) and cross-cutting 14% (USD 3.7 billion in 2017).

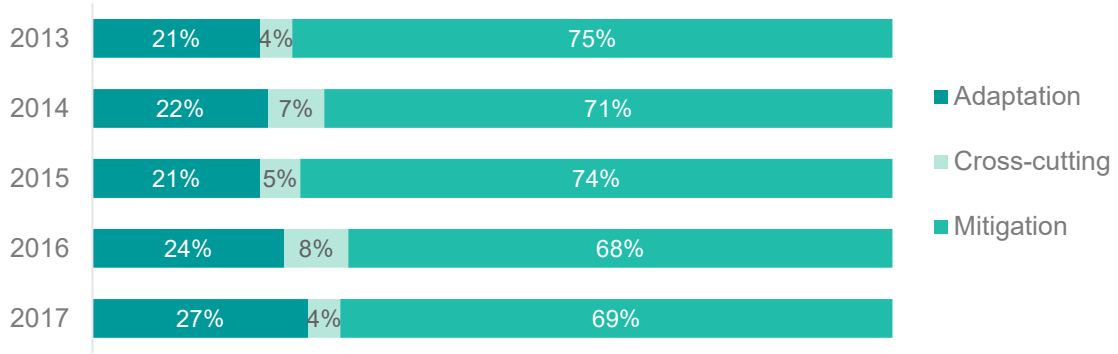
Figure 2.4. Thematic split of developed countries' bilateral climate finance



Note: "Cross-cutting" relates to projects with both mitigation and adaptation benefits or to climate finance that was not yet allocated to mitigation and/or adaptation at the point of reporting e.g. capacity building grants, which the recipient will decide the use of.
Source: 2013-14: see (OECD, 2015[1]). 2017: based on donor countries' advanced reporting to the OECD; 2015-2016: based on Third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD).

The share of adaptation in multilateral public climate finance increased from 21% (USD 3.1 billion) in 2013 to 27% (USD 7.4 billion) in 2017 (Figure 2.5). Consequently, the share of mitigation activities in multilateral climate finance dropped slightly but still represents close to 70% (USD 19.0 billion) in 2017, compared to 75% (USD 11.6 billion) in 2013. Multilateral climate finance rarely takes the form of cross-cutting activities (4% of the total in 2017) or is not reported as such. The share of adaptation in bilateral and multilateral public climate finance reflects the nature of climate project pipelines, but is also in part due to differences in accounting for mitigation and adaptation finance (see Sections 3.2 and 3.3).

Figure 2.5. Thematic split of multilateral climate finance (attributed to developed countries)



Note: "Cross-cutting" relates to projects with both mitigation and adaptation benefits or to climate finance that was not yet allocated to mitigation and/or adaptation at the point of reporting e.g. capacity building grants, which the recipient will decide the use of.
Source: based on (OECD DAC, 2019[6])

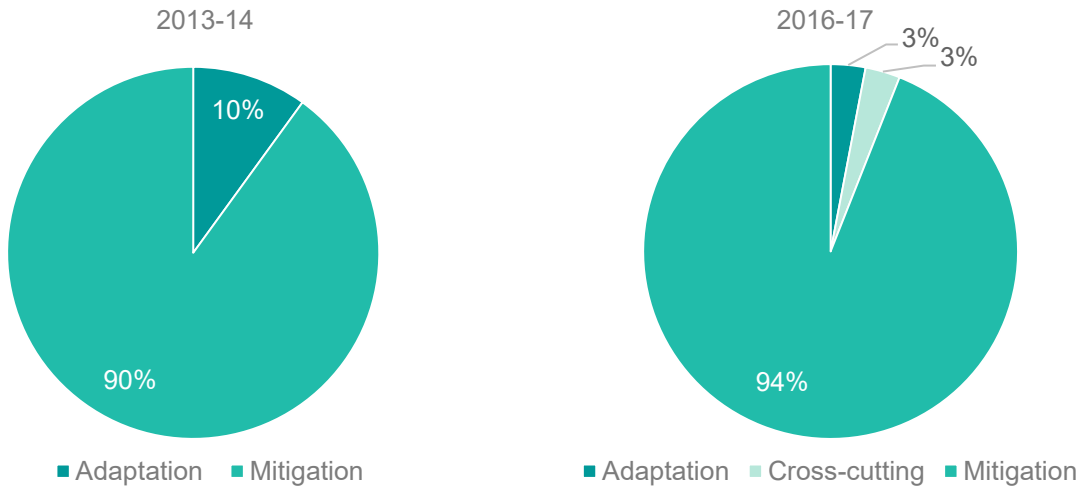
2.2.2. Export credits

Most export credit providers are currently unable to report climate-related projects beyond renewable energy. Thus, of the volumes of climate-related export credits tracked and included here for the period 2013 to 2017, more than 99% were provided to climate mitigation activities, with the vast majority to renewable energy projects and technologies. Only a few climate-related projects were identified in the transport, water and agriculture sectors. As outlined in Section 3.4, the near- absence of adaptation-related export credits may in part be explained by the nature of export credits but likely even more by the current scope of tracking. Work is underway in the OECD Export Credit Working Group to expand the scope of climate-related export credit reporting.

2.2.3. Mobilised private finance

The majority of private finance mobilised by developed countries' public climate finance continues to benefit mitigation activities (94% in 2016-17 compared to 90% in 2013-14). The share represented by cross-cutting and adaptation activities remains small and even fell slightly (to 6% in 2016-17 compared to 10% in 2013-14) (Figure 2.6). This drop may be partly attributable to more precise analysis in 2016-17, thanks to access to activity-level mobilised private finance data. There is, however, room for improvement in identifying adaptation-relevant activities within mobilised private finance datasets, for instance in cases where climate resilience is mainstreamed into investments and business decisions.

Figure 2.6. Thematic split of private climate finance mobilised by developed countries' public climate finance



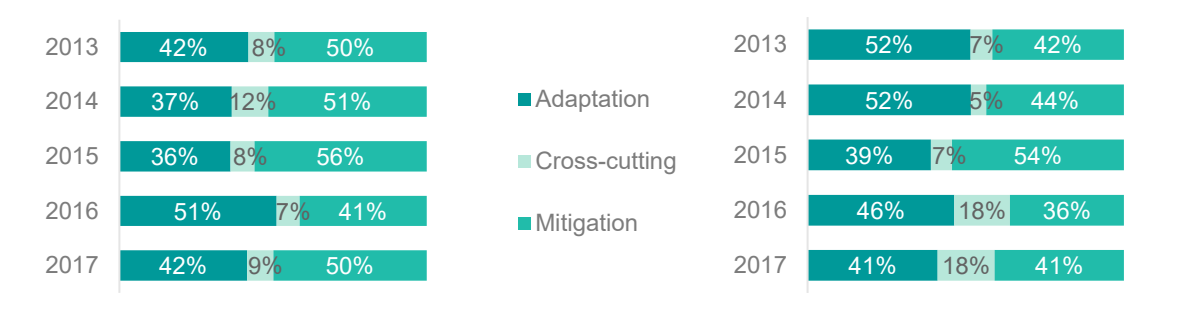
Note: The gap in time series in 2015 for mobilised private finance is due to the progressive implementation of enhanced measurement methodologies (see (OECD DAC, 2019[4])).
Source: 2013-14: see (OECD, 2015[1]). 2016-2017: based on (OECD DAC, 2019[4]), complementary ad-hoc reporting to the OECD, as well as access to IFC private mobilisation data in a secure room at IFC premises.

Box 2.1. Developed countries' public climate finance to LDCs and SIDS

Public climate finance (bilateral and multilateral attributable to developed countries) to Least Developed Countries (LDCs) increased from USD 5.7 billion in 2013 to USD 9.8 billion 2017 (a 72% increase), to Small Island Developing States (SIDS) from USD 0.8 billion to USD 1.3 billion (a 63% increase). In 2016-17, on average, LDCs and SIDS accounted for 15% and 2% respectively of developed countries public climate finance. As the two country groupings partly overlap (UN-OHRLLS, 2019[9]; UN-OHRLLS, 2018[10]), these volumes and percentages cannot be added up.

Public climate finance to LDCs and SIDS display similar patterns in terms of thematic split (Figure 2.7). Adaptation represents a large share (respectively 45% and 43% on average in 2016-17). Although these shares have not increased since 2013, they remain significantly higher than when considering all developing countries (22%), and when considering developing countries that qualify as upper-middle-income or high-income economies (16%).

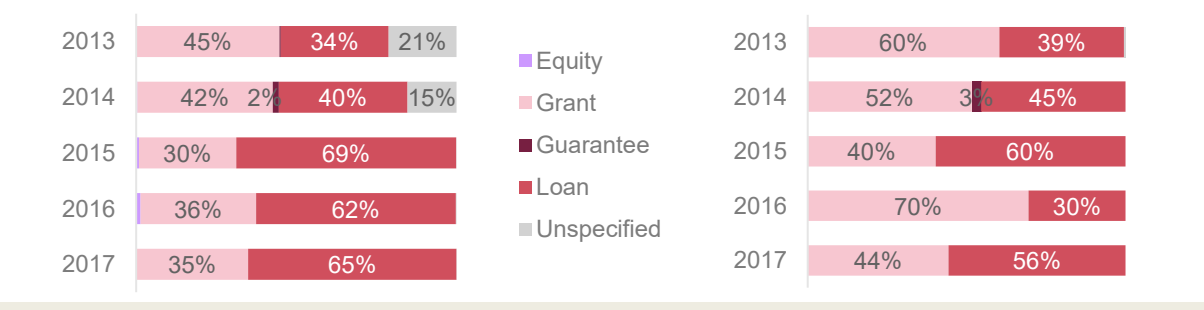
Figure 2.7. Thematic split of public climate finance to LDCs (left) and SIDS (right) (%)



Source: 2013-14: see (OECD, 2015[1]). 2017 bilateral: based on donor countries' advanced reporting to the OECD; 2015-2016: based on Third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD). List of SIDs: (UN-OHRLLS, 2019[9]) List of LDCs:, (UN-OHRLLS, 2018[10]).

The instrument split of public climate finance to LDCs and SIDS (Figure 2.8) highlights that grants represent 36% and 54% respectively on average in 2016-17. Although these share have not increased since 2013-14, they contrast with the share of grants when considering all developing countries (24%) and even more so when considering developing countries that qualify as upper-middle-income or high-income economies (10%).

Figure 2.8. Instrument split of public climate finance to LDCs (left) and SIDS (right) (%)



Source: based on (OECD DAC, 2019[6]); List of SIDs: (UN-OHRLLS, 2019[9]) List of LDCs:, (UN-OHRLLS, 2018[10])

2.3. Financial instruments

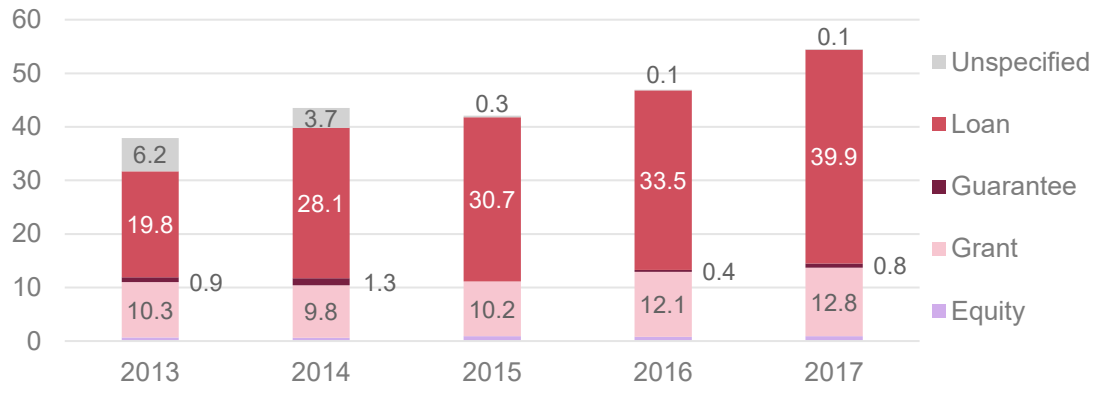
The following three sections provide further break downs for public finance, export credits and mobilised private finance. Presenting a total across these different components is not possible given that no information is available about the nature (debt or equity) of private finance; instead, the split of private is presented based on different public finance mechanisms mobilising such finance.

2.3.1. Public climate finance

Grant financing increased by 25% between 2013 and 2017, going from USD 10.3 billion to USD 12.8 billion (Figure 2.9). This increase is mainly attributable to bilateral providers, who represent close to 80% of grant financing. Over the same period, loans doubled, reaching USD 39.9 billion in 2017 compared to USD 19.8 billion in 2013. Equity investments (in companies, projects or funds) remained relatively stable (USD 0.7 billion and USD 0.9 billion in 2013 and 2017 respectively).

For guarantees, amounts included in Figure 2.9 correspond to developmental guarantees, which the United States includes the face value of in its public climate finance data. For other bilateral providers as well as multilateral institutions, developmental guarantees are, instead, accounted for under the "private finance" component for their mobilisation effect. In order not to be counted twice, the face value of the United States' developmental guarantees is excluded from estimates of private finance mobilised. Similarly, export credit guarantees are included in the export credit component and excluded from the mobilised private finance component.

Figure 2.9. Instrument split of developed countries' public climate finance (USD billion)

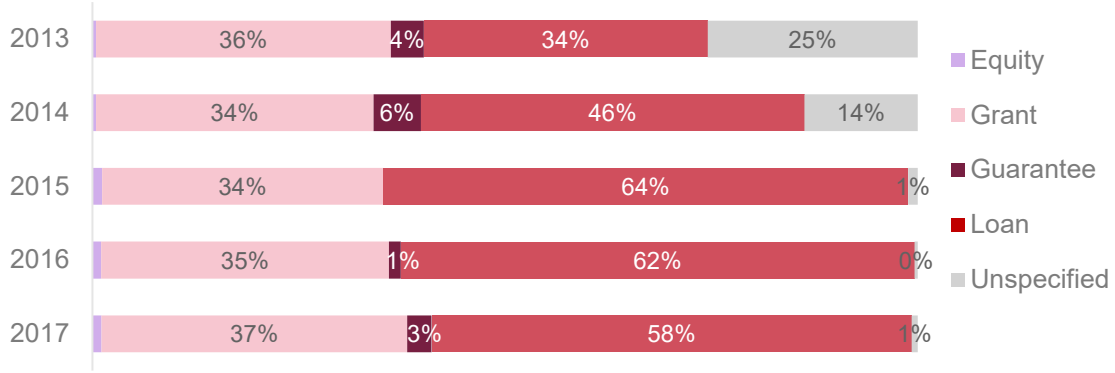


Note: Equity includes project- and fund-level investments. Grants include project- and programme-level grants. Loans include both concessional and non-concessional loans. Guarantees relate specifically to United States data, which also includes developmental guarantees, accounted for at full exposure value: USD 0.91 billion in 2013, USD 1.27 billion in 2014, USD 0.03 billion in 2015, USD 0.43 billion in 2016 and USD 0.84 billion in 2017. For other bilateral providers and multilateral institutions, developmental guarantees are instead accounted for in their mobilisation effect on private finance.
Source: 2013-14: see (OECD, 2015[1]). 2017 bilateral: based on donor countries' advanced reporting to the OECD; 2015-16 bilateral: based on third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD). Multilateral: based on (OECD DAC, 2019[6]).

The relative mix of instruments was stable over the period. Grants represented over a third of bilateral and slightly less than 10% of multilateral climate finance (Figure 2.10 and Figure 2.11). Loans accounted for about 60% of bilateral and close to 90% of multilateral finance. The vast majority of bilateral loans are concessional while the majority of multilateral loans are non-concessional (though with favourable conditions compared to markets or provided where and at times when the private sector may be reluctant

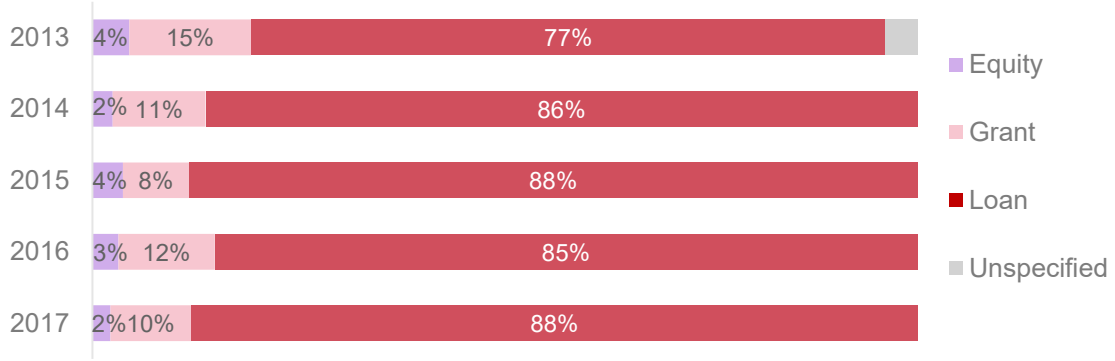
to participate). As further explained in Box 2.2, the definition of concessionality for bilateral and multilateral providers, however, differs, Equity investments remain a very small portion of the total.

Figure 2.10. Developed countries' bilateral public climate finance per instrument



Note: Equity includes project- and fund-level investments. Grant includes project- and programme-level grants. Loan includes both concessional and non-concessional loans. Guarantees included relate exclusively to United States' developmental guarantees, accounted for at full exposure. For other bilateral providers, developmental guarantees are, instead, accounted for their mobilisation effect on private finance. Where included in datasets submitted by countries, export credits were excluded and are accounted for separately.
Source: 2013-14: see (OECD, 2015[1]). 2017: based on donor countries' advanced reporting to the OECD; 2015-2016: based on Third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD).

Figure 2.11. Multilateral public climate finance (attributed to developed countries) per instrument



Note: Equity includes project- and fund-level investments. Grants include project- and programme-level grants. Loan includes both concessional and non-concessional loans.
Source: based on (OECD DAC, 2019[6]).

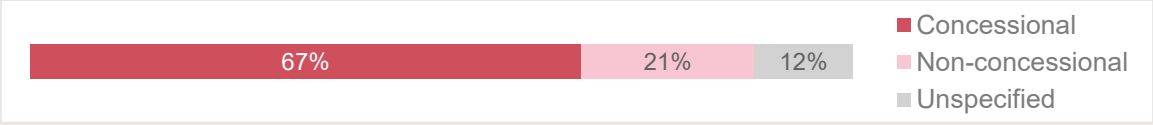
Box 2.2. Concessionality of loans: elements of definitions and illustrations

A concessional loan is extended on more preferential terms than available to a borrower from the commercial sector, usually through interest rates below market ones, or through an extended grace period, or a combination of both. Concessionality is an essential part of development finance. The reporting of concessional and non-concessional loans is, however, underpinned by different definitions for DAC members (bilateral donors and the EU) and for multilateral development banks (MDBs).

Concessionality of loans for DAC members

For DAC members, the level of concessionality of a loan is a core criterion for its eligibility to qualify as ODA. Concessionality is assessed through the "grant element" calculation, an assessment of the financial terms of a transaction that takes into account four factors: the interest rate, the grace period, the maturity, and the discount rate. A loan is considered concessional if its grant element is above 10% (for UMICs), 15% (for LMICs) or 45% (for LDCs and other LICs). Additionally, loans whose terms are not consistent with the IMF Debt Limits Policy or the World Bank's Non-Concessional Borrowing Policy are not reportable as ODA. All development finance loans that do not qualify as ODA are recorded as Other Official Flows (OOF). On that basis, and as highlighted in Figure 2.12, over two-thirds of bilateral climate finance loans committed in 2016-17 were concessional.

Figure 2.12. Bilateral climate finance developmental loans by concessionality level, (2016-17)

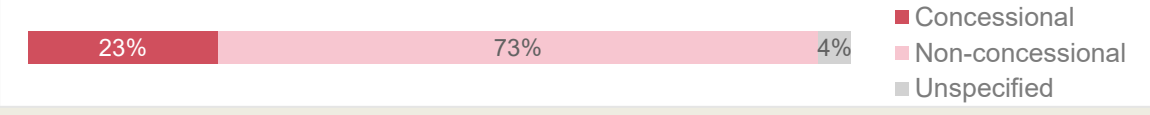


Source: 2017: based on donor countries' advanced reporting to the OECD. 2016: based on Third Biennial Reports to the UNFCCC (UNFCCC, 2018[5])

Concessionality of loans for MDBs

For MDBs, the definition of concessionality does not relate to a grant-element calculation, but to their ability to extend credit on financially-sustainable terms, based on their own cost of funding. Concessional loans extended by MDBs require external grant resources to be financially sustainable, while non-concessional loans are financially sustainable solely based on MDBs' low cost of funding and preferred creditor status. Non-concessional loans from MDBs may, therefore, still be on more preferential terms than available to a borrower from the commercial sector. MDBs' use of concessional or non-concessional finance is not a discretionary decision, but depends on the recipient country's income level as well as further considerations for its creditworthiness and debt sustainability. In general, borrowing countries above the low-income threshold can access non-concessional MDB loans. On that basis, and as highlighted in Figure 2.13 over 70% of climate finance loans committed by MDBs in 2016-17 were non-concessional.

Figure 2.13. Climate finance loans from MDBs by concessionality level (2016-17)

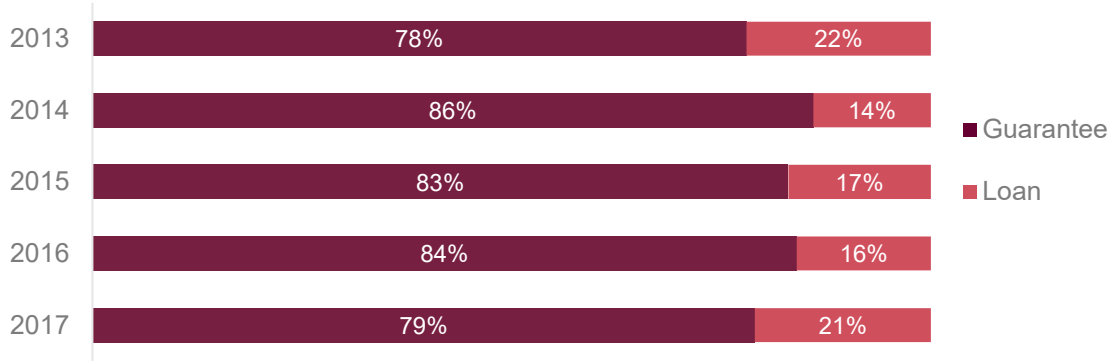


Source: based on (OECD DAC, 2019[6])

2.3.2. Export credits

As is the case for export credits in general, the vast majority (78% to 86% depending on the year) of climate-related export credits are provided in the form of credit risk guarantees to the lender against non-repayment by the borrower (Figure 2.14). Export credit loans provided directly account for the remainder, between 14% and 21% depending on the year. In order to avoid any risk of double counting, the value of export credits provided by a given export credit agency are, where relevant, subtracted from the amounts of private finance that could otherwise have been accounted for as mobilised by that agency.

Figure 2.14. Developed countries' climate-related export credits per instrument



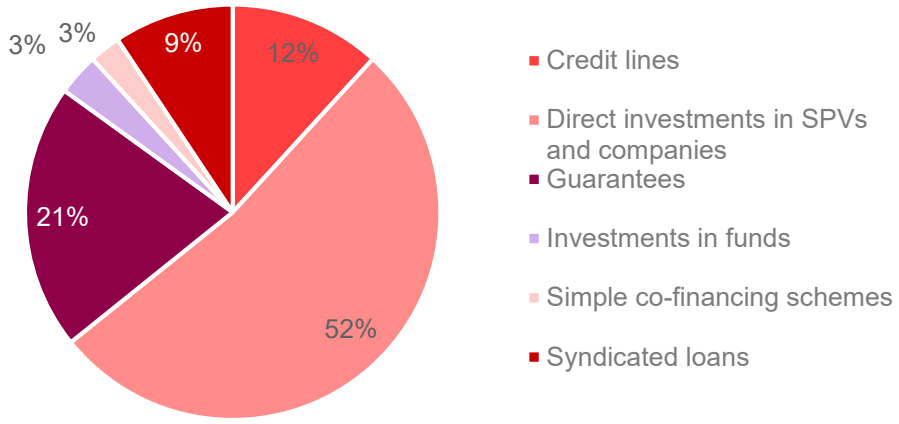
Note: Guarantees include guarantees and insurances. The scope of reporting on export credits is almost exclusively focused on renewable energy projects and technologies. A very limited number of countries were able to track climate-relevant export credits in other sectors such as energy efficiency, transport, agriculture and water.
Source: Based on (OECD TAD, 2018[7]) and countries' complementary reporting to the OECD

2.3.3. Mobilised private finance

Bilateral and multilateral providers mobilise private finance through a range of public finance instruments and mechanisms. Based on consultations with these providers, the OECD developed specific methodologies taking into account the characteristics of these different mechanisms. The methodologies have been developed under a mandate from the December 2014 DAC High Level Meeting to establish an international standard for measuring the volume of private finance mobilised by development finance (see Section 3.5 for further details).

Figure 2.15 highlights the respective shares represented by these different public finance mechanisms in mobilising private finance for climate action in 2016 and 2017. Investments in companies and special purpose vehicles (which are typically set up for project financing) account for half (52%). Guarantees (21%), credit lines (12%), loan syndications (9%), investments in funds and simple co-financing schemes (3% each) account for the remainder.

Figure 2.15. Private finance mobilised by developed countries public climate finance instruments (2016-2017)



Note: 2013-14 is not presented here as the underlying data only partially allows the desired break down. 2015 is not represented due to limited data availability, owing in part to the progressive implementation of enhanced measurement methodologies (see (OECD DAC, 2019[4])).
Source: based on (OECD DAC, 2019[4]), complementary ad-hoc reporting to the OECD, as well as access to IFC private mobilisation data in a secure room at IFC premises.

2.4. Regions

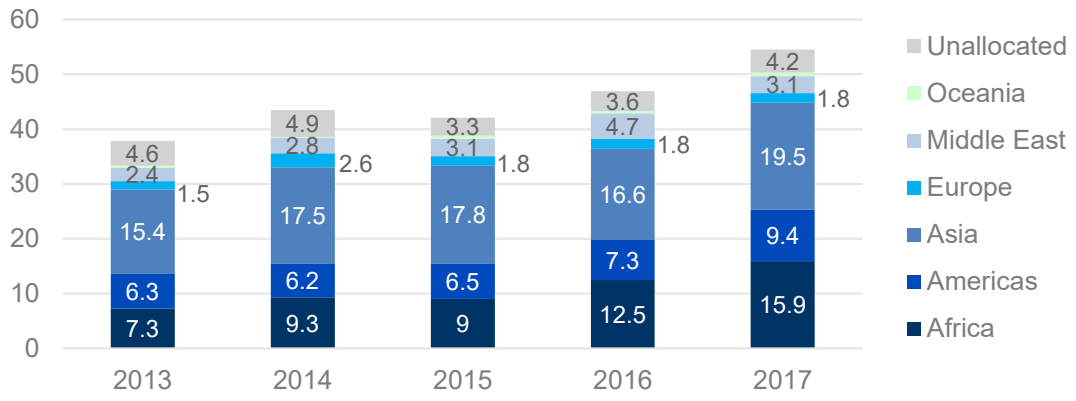
The splits presented in this section are based on six regions that are uneven in terms of the number of countries, size of population, gross domestic product, levels of GHG emission and exposure to climate risks. The list of recipient countries considered can be viewed in Annex B of the 2015 OECD report (OECD, 2015[1]), and consists of countries on the UNFCCC's non-Annex I list or countries eligible to receive official development assistance (ODA). For multilateral climate finance, however, only ODA-eligible countries are considered as multilateral datasets were sourced from the OECD DAC. The latter also applies to the mobilised private finance data, except for Japan and the USA, which provided complementary data for non-Annex I countries beyond those that are ODA eligible.

In 2017, the regional split of the USD 71.2 billion climate finance provided and mobilised by developed countries was the following: Asia USD 24.3 billion (34%), Africa USD 18.6 billion (26%), Americas (Latin America and the Caribbean) USD 14.2 billion (20%), the Middle East USD 5.7 billion (8%), Europe (excluding all European Union and European Economic Area members) USD 2.6 billion (4%), and Oceania USD 0.6 billion (1%), with the remaining USD 5.3 billion (7%) being unallocated to a specific country at the time of data reporting. The corresponding split of the USD 52.2 billion total for 2013 cannot be presented as the underlying data for the mobilised private components only partially allows the desired break down. The following sub sections, however, provide a 2013-17 time series for public finance and export credits.

2.4.1. Public climate finance

In 2017, compared to 2013, all regions benefited from increasing climate finance provided (Figure 2.23). Asia, followed by Africa and Americas received the largest volumes throughout the period, jointly accounting for 80% in any given year. In terms of volumes, public climate finance to Africa increased the most, more than doubling from USD 7.3 billion in 2013 to USD 15.9 billion in 2017.

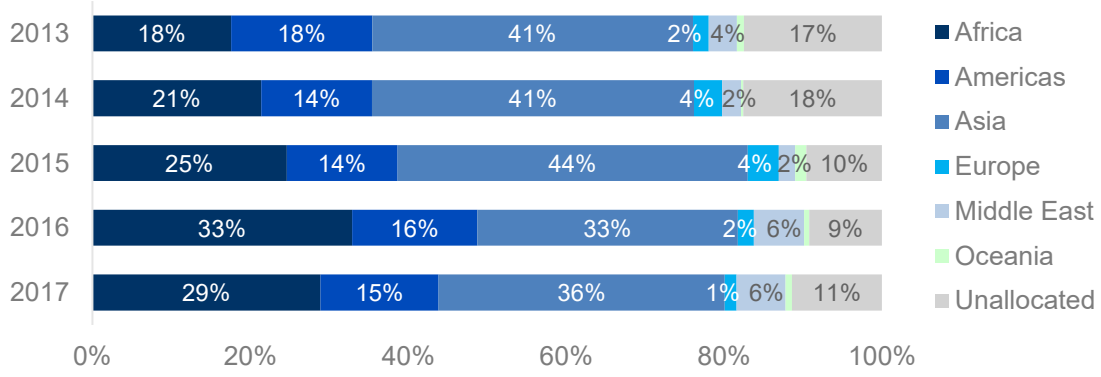
Figure 2.16. Regional split of developed countries' public climate finance (USD billion)



Note: The regions are uneven in terms of the number of countries, size of population and gross domestic product. "Europe" excludes all European Union and European Economic Area member countries.
Source: 2013-14: (OECD, 2015[1]). 2017 bilateral: based on donor countries' advanced reporting to the OECD; 2015-16 bilateral: based on third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD). Multilateral: based on (OECD DAC, 2019[6]).

Asia, Africa and, to a lesser extent Latin America represent the largest volumes of bilateral climate finance (Figure 2.17). The Middle East, Europe, and Oceania account for 1% to 6% each depending on the year. The share of "unallocated" decreased from around 17% in 2013 to just over 10% in 2017, which relates partly to improved reporting by Parties to the UNFCCC. The remainder, however, highlights that a significant portion of bilateral climate finance is channelled through regional programmes or funds before reaching individual countries.

Figure 2.17. Developed countries' bilateral public climate finance per region

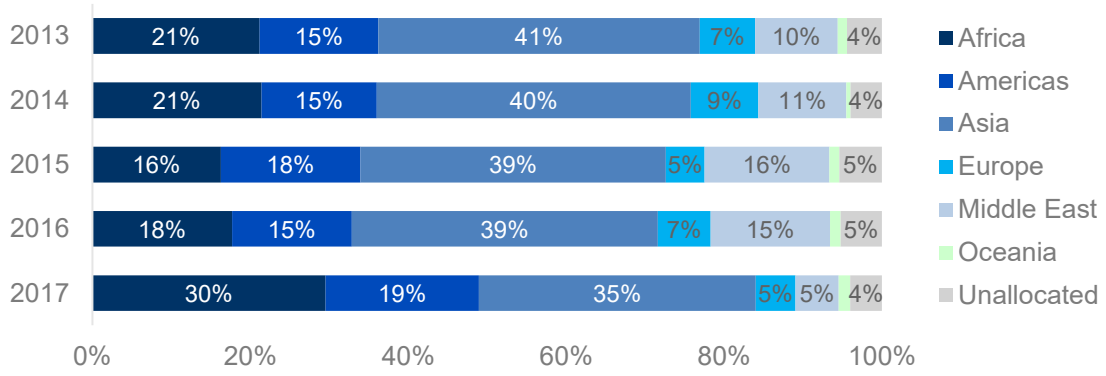


Note: The regions are uneven in terms of the number of countries, size of population and gross domestic product. "Europe" excludes all European Union and European Economic Area member countries.
Source: 2013-14: (OECD, 2015[1]). 2017: based on donor countries' advanced reporting to the OECD; 2015-2016: based on Third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]), except for the United States (based on provisional data reported to the OECD).

In contrast, multilateral providers more often implement activities directly in individual countries (Figure 2.18). This is in particular the case for finance provided by MDBs. Asia receives the largest share of multilateral climate finance with over one third. Africa, Latin America and, to a lesser extent the Middle

East and Europe each account for a significant proportion of the total. As with bilateral climate finance, Oceania attracts only a small share (2% to 4%).

Figure 2.18. Multilateral public climate finance (attributed to developed countries) per region

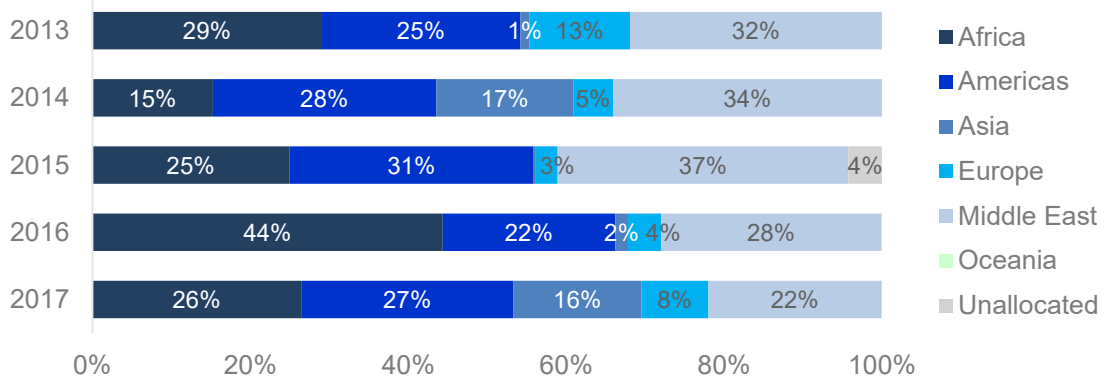


Note: The regions are uneven in terms of the number of countries, size of population and gross domestic product. "Europe" excludes all European Union and European Economic Area member countries.
Source: based on (OECD DAC, 2019[6]).

2.4.2. Export credits

The destination of climate-related export credits tracked is quite volatile (Figure 2.19). It is mainly driven by countries where renewable energy projects, especially large ones, are implemented with a need for underlying import of technology and parts. This is illustrated by the relatively higher share of the Middle East and lower share of Asia compared to bilateral and multilateral public climate finance (Figure 2.17 and Figure 2.18).

Figure 2.19. Developed countries' climate-related export credits per region

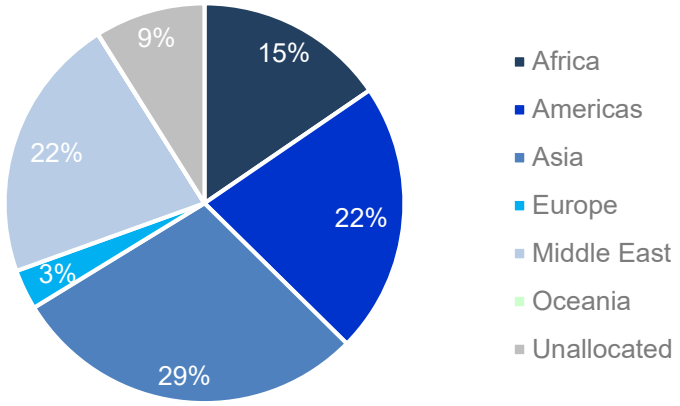


Note: The regions are uneven in terms of the number of countries, size of population and gross domestic product. "Europe" excludes all European Union and European Economic Area member countries. The scope of reporting on export credits is almost exclusively focused on renewable energy projects and technologies. A very limited number of countries were able to track climate-relevant export credits in other sectors such as energy efficiency, transport agriculture and water.
Source: Based on (OECD TAD, 2018[7]) and countries' complementary reporting to the OECD.

2.4.3. Mobilised private finance

As displayed in Figure 2.20, the share of private finance mobilised by developed countries' public climate finance in relation to specific developing country regions was largest in Asia (29%), Americas and the Middle East (22% each), followed by Africa (15%) and Europe (3%). Compared to the average characteristics of public climate finance presented above, the respective share of Africa is lower, and that of the Middle East higher.

Figure 2.20. Private finance mobilised by developed countries' public climate finance per region (2016-17)



Note: The regions are uneven in terms of the number of countries, size of population and gross domestic product. "Europe" excludes all European Union and European Economic Area member countries. 2013-14 is not presented here as the underlying data only partially allows the desired break down. 2015 is unavailable due to limited data availability altogether, owing in part to the progressive implementation of enhanced measurement methodologies (see (OECD DAC, 2019[4])).
Source: 2013-14: See (OECD, 2015[1]). 2016-17: based on (OECD DAC, 2019[4]), complementary ad-hoc reporting to the OECD, as well as access to IFC private mobilisation data in a secure room at IFC premises.

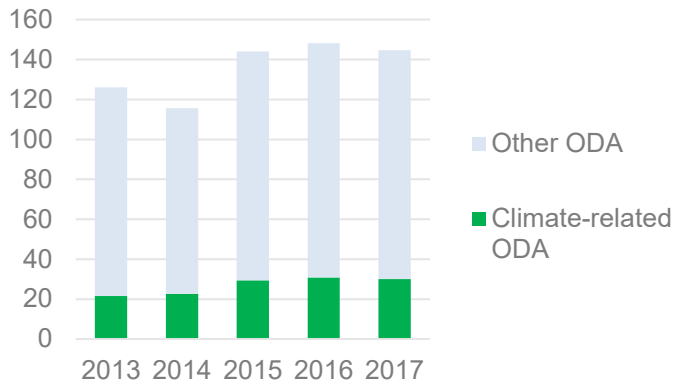
2.5. Climate and development finance

Climate objectives form an integral part of sustainable development and most international climate finance to developing countries is embedded in development finance. This can raise concerns on whether increasing volumes and shares of climate-related finance within development co-operation portfolios might divert development finance from other developmental priorities.

This section draws on OECD DAC data to provide an overview of key relevant trends in development finance. These data, which are publicly available at activity level, cover activities of DAC members (bilateral donors) and multilateral providers, both on overall development finance and on climate-related activities within that. Even though climate-related bilateral development finance recorded in the DAC statistical system differs from bilateral climate finance data reported to the UNFCCC (see Section 3.2 above), it provides insights into the sectoral allocation of development finance in general, trends in sector allocations as well as the extent of mainstreaming climate-related development finance within sectors.

As shown in Figure 2.21, the share of climate-related finance in official development assistance remained stable since 2014 at 20-21% after a slight increase between 2013 and 2014. During this same period the share of climate finance in total multilateral commitments grew from less than 20% to around 28% in 2017 (Figure 2.22).

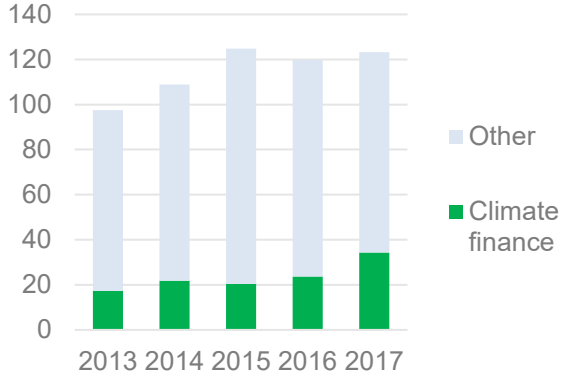
Figure 2.21. Share of climate-related finance in official development assistance (USD billion)



Note: The scope covers concessional finance provided in ODA-eligible countries and to multilateral institutions. It does not cover non-concessional finance due to limited climate marking of such data in DAC statistics. Volumes of climate-related finance are based on the Rio marker approach.
Source: based on (OECD DAC, 2019[6])

It should be noted that the coverage as well as methods to account for "climate" that underpin these respective percentages for bilateral and multilateral providers differ. Members of the OECD DAC, and a few other bilateral providers as well some multilateral funds apply the Rio marker methodology when reporting climate-related development finance to the DAC. Under this methodology, projects are marked "Principal" if the climate objective (mitigation, adaptation, or both) is explicitly stated as fundamental in the design, or motivation, of the activity, or "Significant" if the climate objective is explicitly stated, but not the fundamental driver or motivation for undertaking the activity. Multilateral development banks, on the other hand, have developed their own approach for tracking climate finance, which aims at reporting climate-specific finance, i.e. where relevant only reporting a share of the total project value (Joint-MDB, 2018[11]).

Figure 2.22. Share of climate finance in total multilateral commitments (USD billion)



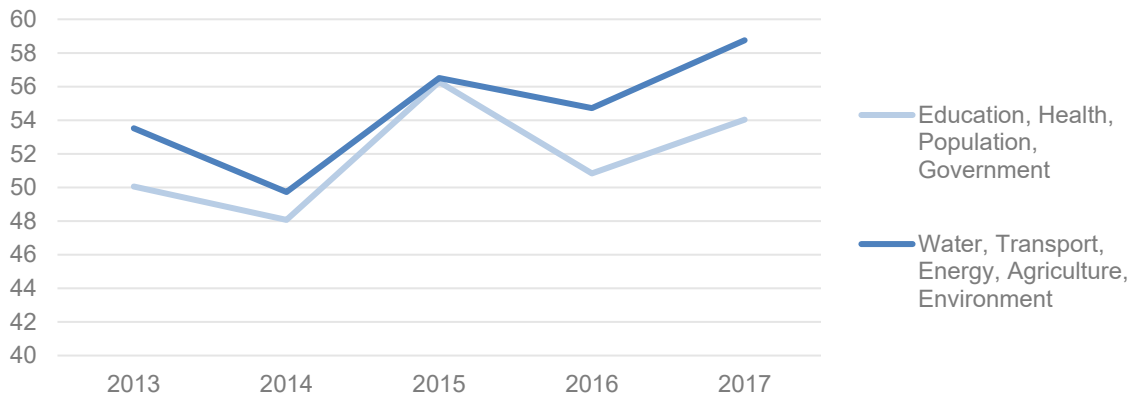
Note: The scope covers both concessional and non-concessional multilateral finance provided in ODA-eligible countries. Volumes of climate finance based on multilateral development banks' approach.
Source: based on (OECD DAC, 2019[6])

The potential for climate co-benefits exists in almost all areas of development. However, climate-related development finance is concentrated in a limited number of sectors (energy, transport, water and agriculture). On the other hand, it accounts for a low share of development finance in so-called social

sectors (such as education and health). A potential diversion of development finance away from other development priorities due to increased climate-related financing would be expected to manifest itself in a declining share of allocations to sectors with a low share of climate-related commitments. Conversely, all else being equal the share of climate-relevant sectors in total development finance would be expected to show an increasing trend.

Expanding on preliminary analysis in (OECD, 2016[2]), Figure 2.23 compares the trends between a set of key social sectors (Health; Education; Population & Reproductive Health; Government & Civil Society) and a set of five climate-related sectors (Energy; Agriculture, Fisheries & Forestry; Water & Sanitation; General Environmental Protection; Transport & Storage). Together, these sectors account for 81% of total sector-allocable[1] climate-related commitments in 2016-17. These two sets of sectors shows very similar trends in all years after 2013, thus not providing evidence of an ongoing diversion in funding.

Figure 2.23. Total development finance in main social and climate-relevant sectors, 2013-17 (USD billion)

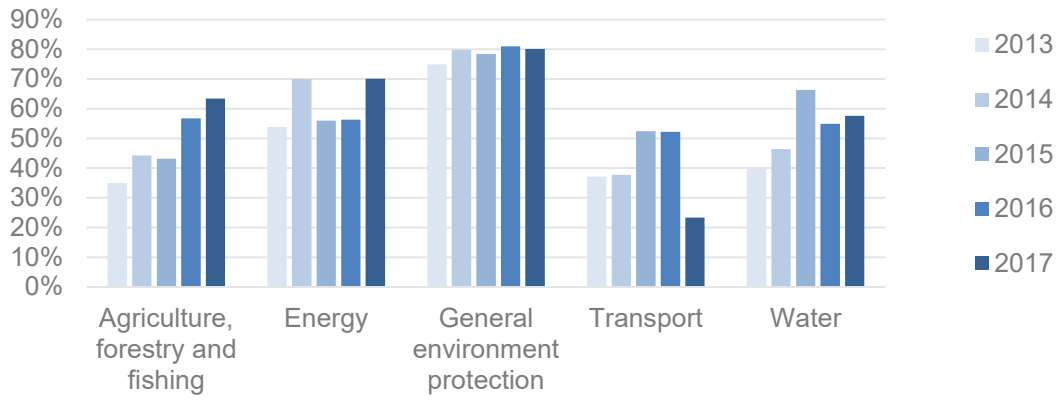


Note: The scope covers bilateral and multilateral development finance, both concessional and non-concessional, provided in ODA-eligible countries.
Source: based on (OECD DAC, 2019[6])

Substantial scope for further mainstreaming climate-related financing within selected climate-sensitive sectors remains. Considering bilateral ODA between 2013 and 2017 (Figure 2.24), the share of climate-related commitments is particularly high for the sector of general environmental protection, and increased steadily for Water and Sanitation and Agriculture. Energy and Transport Sectors both showed year over year fluctuations but no clear trend for an increase or decrease of the share of climate-related development finance.

[1] Sector allocable ODA is the part of ODA that can be allocated to specific sectors. It excludes general budget support, actions related to debt, humanitarian aid and internal transactions in the donor country.

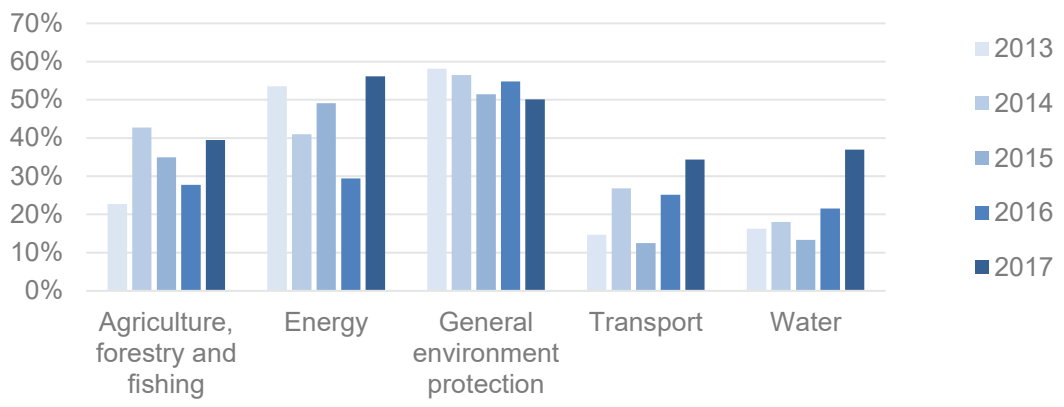
Figure 2.24. ODA: Climate-related finance in key climate-relevant sectors



Note: The scope covers concessional finance provided in ODA-eligible countries and to multilateral institutions. It does not cover non-concessional finance due to limited climate marking of such data in DAC statistics. Volumes of climate-related finance are based on the Rio marker approach.
Source: based on (OECD DAC, 2019[6])

Considering multilateral development finance, both concessional and non-concessional (Figure 2.25), the share of climate-related commitments shows an upward trend in the sectors of water and transport, and less pronounced growth in the sector of agriculture. Climate-related financing remained high in the general environmental protection sector, and showed year over year fluctuations in the energy sector.

Figure 2.25. Multilateral development finance: climate finance in key climate-relevant sectors



Note: The scope covers both concessional and non-concessional multilateral finance provided in ODA-eligible countries. Volumes of climate finance based on multilateral development banks' approach.
Source: based on (OECD DAC, 2019[6])

3. Coverage, data and methods

The accounting framework (Table 3.1) is consistent with the one used in 2015 to produce estimates for the period 2013 to 2014 (OECD, 2015[1]). It is also consistent with the framework for the 2020 climate finance projections (OECD, 2016[2]), although these were based on pledges rather than data on past finance.

The 2015 OECD report provides in-depth descriptions and Annexes on the data and methods that underpin the 2013 and 2014 figures (OECD, 2015). Similarly, this section provides insights for the period 2015 to 2017, highlighting in particular adjustments and improvements compared to the period 2013 2014 as well as pending data and methodological issues. Notably, since 2015, significant improvements have been made to the methodology for measuring private finance mobilised by developed countries public climate finance.

Table 3.1. Overview of the categories of finance considered

Category	Coverage	Instruments	Data source
Bilateral public	Climate finance outflows from donor countries' bilateral development finance agencies and institutions	Grants, loans, equity investments (for the USA only: developmental guarantees)	Biennial reports to the UNFCCC (Table 7(b) of the Common Tabular Format); complementary data submissions to the OECD.
Multilateral public (attributed to developed countries)	Climate finance outflows from multilateral development banks and climate funds attributable to developed countries; developed countries' climate-related inflows to other multilateral bodies	Grants, loans, equity investments	OECD DAC database (total multilateral outflows); institutions annual reports (for calculating attribution shares); Biennial reports to the UNFCCC (Table 7(a))
Export credits	Climate-related export credits provided by developed countries' official export credit agencies, mostly for renewable energy	Export credit loans, guarantees, and insurances.	OECD Export Credit Group database of officially- supported export credits; complementary data submissions to the OECD
Mobilised private (attributed)	Private finance mobilised by bilateral and multilateral public climate finance.	Private finance mobilised by grants, loans, equity and developmental guarantees	OECD DAC (regular and survey data collection); complementary data submissions to the OECD and controlled access to IFC private mobilisation data.

Note: Bilateral providers include: Australia, Austria, Belgium Canada, the Czech Republic, Denmark, Estonia, the European Union, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Lithuania, Luxembourg, Malta, Monaco, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom, and United States. Multilateral development banks include: the African Development Bank (AfDB), the Asian Development Bank (ADB), the Asian Infrastructure Investment Bank (AIIB), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Inter-American Development Bank (IDB), the International Finance Corporation (IFC) and the World Bank (WB). Multilateral climate funds include: the Green Climate Fund (GCF), Adaptation Fund, the Climate Investment Funds (CIFs), the Global Environment Facility (GEF), and the Nordic Development Fund (NDF). Other multilateral bodies include: the Intergovernmental Panel on Climate Change, the Montreal Protocol, United Nations Programmes and Specialised Agencies. Providers of climate-related export credits include: Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Italy, Japan, Netherlands, Norway, Poland, Spain, Sweden, Switzerland, and United States. Mobilised private includes: private finance mobilised by bilateral and multilateral providers listed above.

3.1. General methodological considerations

All data used for the purpose of the estimates in this report are reported in current prices, which, in contrast to constant prices, are not adjusted for inflation.

3.1.1. Currency conversion

At the international level, climate finance is accounted for in United States dollars (USD). The estimates presented in this note are based on reporting by countries and multilateral institutions in USD when available. Most countries use the "Annual Average Dollar Exchange Rates for DAC Members" for reporting their climate finance data to the UNFCCC in USD. Where that was not the case (e.g. end of the year

exchange rate), a comparative calculation highlighted only small variances with conversion based on the "Annual Average Dollar Exchange Rates for DAC Members". Where countries provided climate finance in another currency, the amount was converted using the "Annual Average Dollar Exchange Rates for DAC Members".

As far as multilateral data is concerned, all data reported to the DAC is converted based on that same rate. Officially-supported export credits, on the other hand, are reported to the OECD Export Credit Group in the currency of the credit and converted to USD using the monthly average exchange rate of the month when the commitment was made. For other climate-related export credits reported by countries for the purpose of this report, the "Annual Average Dollar Exchange Rates for DAC Members" was used. Mobilised private finance data reported to the DAC is converted using the "Annual Average Dollar Exchange Rates for DAC Members".

While the choice of exchange rate (e.g. annual average, monthly average or end-of-year exchange rate) yields only small differences in total amounts, the year-on-year fluctuation of exchange rates can have a significant impact on estimates in USD. This is particularly relevant for the conversion of Euro and Japanese Yen to USD, as Eurozone countries and Japan represent a very significant share of bilateral climate finance. For instance, the Euro lost more than 16% of its value against the US dollar between 2014 and 2015, while the Yen successively lost 13% and gained 11% in 2015 and 2016 respectively.

3.1.2. Commitment and disbursement

The provision of finance takes place through successive formal steps, the number and nature of which vary depending on the type of providing institution. At a minimum, there is typically a point when the provider formally agrees (approval and/or commitment) to financing a project at conditions agreeable to the recipient, and another one when the funds are then transferred to the recipient (disbursement). The time lag between these two points can be short or relatively long depending on, e.g. the nature of the financial instrument, the relative complexity of the financing structure, and the size of the project. The data underpinning the estimates presented here are characterised as follows:

- Bilateral public finance: when reporting to the UNFCCC, Parties may report either financial commitments or disbursements. Most choose one or the other but a limited number mix the two depending on the instrument. As a result, estimates of bilateral climate finance are based on a combination of commitment and disbursement data, avoiding double counting where Parties reported both. Overall, disbursement data almost exclusively relate to grants.
- Multilateral public finance: reporting to the DAC statistical data system is standardised, which makes it possible to consistently access and use commitment data for all multilateral development banks and climate funds.
- Officially-supported export credits: all the data reported to the OECD, whether through the established annual reporting of officially-supported export credits or further data provision for the purpose of the present report, corresponds to the point of commitment.
- Mobilised private finance data: close to all of the data, whether reported to the DAC through survey and regular data submissions, or provided on an ad-hoc basis for this report, is gathered at the point of commitment of the public finance instrument having mobilised private finance.

3.1.3. Calendar and fiscal year

Finance flows can be recorded based on calendar or fiscal years. Calendar year was preferred, which corresponds to the format used by the majority of Parties when reporting to the UNFCCC and by all multilateral institutions when reporting to the DAC, as well as in the context of annual statistics on officially-supported export credits. In order to ensure methodological consistency, calendar and fiscal year data

would ideally not be mixed when adding up data from different providers and institutions. This could, however, not be avoided in the cases of bilateral data (public and mobilised private) reported by Australia and the United States, which could only be provided on a fiscal year basis. It should, however, be noted that these countries have consistently provided such data based on fiscal year since 2013, which ensures year-on-year consistency within their respective data series, thereby avoiding any double counting from one year to the other.

3.2. Bilateral public finance data

Bilateral climate finance data for 2015 and 2016 were, except for the United States, sourced from Table 7(b) of the "Common Tabular Format" that countries submitted to the UNFCCC to accompany their Third Biennial Report to the UNFCCC for the years 2015 and 2016 (UNFCCC, 2018[5]). These data are, hence, already publicly available. The Third Biennial Reports also include further information on how each Party accounts for and reports climate finance to the UNFCCC, including changes compared to the period 2013 to 2014 where relevant. It is only at the start of 2020 that Parties to the UNFCCC will submit equivalent information for the years 2017 and 2018. Thus, for the purpose of the present report, advance reporting of provisional bilateral public climate finance data by countries to the OECD was necessary for 2017. For the United States, reporting to the OECD also covered 2015 and 2016.

Countries, especially those that do not have a bilateral delivery channel such as a bilateral development bank, provide climate-specific voluntary contributions (inflows) to multilateral banks and funds. These contributions, reported to the UNFCCC in Table 7(a) of the Common Tabular Format, are not included here to avoid double counting with multilateral climate finance outflows (see (OECD, 2015[1]), Part III for further details). As a result, public finance initially provided by countries to multilateral institutions as grants may be used by that institution to extend a loan and is, as a result, included in the present report as such.

When submitting data to the UNFCCC, countries provide methodological explanations, in particular on the scope of how they report climate specific components of developmental projects where climate is not the only nor the principal objective. In such cases, most countries apply coefficients to climate-related development finance data that they report to the OECD DAC. A limited number of countries have developed a dedicated methodology for climate finance reporting to the UNFCCC. Annex C of the OECD 2015 report (OECD, 2015[1]) provides an overview of this, while Third Biennial Reports to the UNFCCC (UNFCCC, 2018[5]) contain updated information for countries that may have implemented adjustments in methods to account for climate finance compared to the data they reported for the period 2013 to 2014.

In this context, and in order to help enhance transparency, the OECD DAC launched a survey in 2018 inviting its members on a voluntary basis to report if and how the data they report to the DAC informs their reporting to the UNFCCC. The results, based on responses received from eleven DAC members out of 30, highlight that different members use different approaches (OECD DAC, 2019[12]). This means that in order to develop meaningful aggregates of the data, activity-level information about the share of projects reported as climate is needed.

For the purpose of the present analysis, in addition to consulting the methodological explanations provided in Biennial Reports to the UNFCCC, further information exchanges took place between the OECD and individual countries in order to ensure as much consistency as possible with the accounting framework that underpins this report, and in particular to:

- Check if a consistent year-on-year reporting approach has been used by each country (see in particular Section 3.1.2);
- Source complementary or more specific information where needed e.g. on the providing entity, the financial instrument, the destination country or region;
- Ensure that the estimates produced do not include any coal-related financing;

- Exclude all forms of export credit financing to avoid any double counting with the projects included in the separate export credit component (see Section 3.4 below);
- Exclude developmental guarantees to avoid double counting as they are accounted separately for their mobilisation effect. This was done except for the United States, which include developmental guarantees based on full exposure value. To avoid double counting, these amounts are, to the best extent possible, excluded from estimates of private finance mobilised by the United States. Such comparison and netting out was, however, made more challenging by the fact that the US reported public climate finance to the UNFCCC on a fiscal year basis and mobilised private finance to the DAC on a calendar year basis.

3.3. Multilateral public finance data and attribution

MDBs and multilateral funds report their outflows annually to the OECD DAC at the activity level. This provides a consistent dataset in terms of e.g. reporting basis, instrument classifications, and recipient countries. Such reporting includes projects relating to climate action, which MDBs report (in their joint reporting as well as to the OECD DAC) based on the common methodology they established for defining the scope of climate mitigation and adaptation activities. It involves reporting the climate-specific component of a project rather than its full value where relevant. This methodology is further explained in joint climate finance reports published by MDBs, which provide semi-aggregates produced on that basis but not the underlying activity-level data (Joint-MDB, 2018[11]). Climate funds report their climate-related projects based on the DAC's Rio marker approach (OECD DAC, 2016[13]).

The scope of MDB reporting to the DAC and of what MDBs jointly report as climate finance differs in a number of ways. In particular, DAC statistics are based on calendar years (rather than fiscal for some MDBs), commitments (rather than board approval for some MDBs) and ODA-eligible countries only (rather than the countries of operation of each MDB). Following data reporting, the DAC conducts a thorough data quality check, which involves further information exchanges with the institutions in order to ensure statistical consistency. Each institution is then invited to validate the total amount of climate finance outflows that will be recorded in DAC statistics for that calendar year.

For the purpose of the estimates in this report, out of these total multilateral climate finance outflows, only the shares attributable to developed countries are included. Attribution percentages were calculated for each multilateral institution and, where relevant, further differentiated between concessional and non-concessional windows or sub-funds (Table 3.2). The methodology for calculating these shares is consistent with that used to produce estimates for the period 2013 to 2014 (see (OECD, 2015[1]) and (TWG, 2015[14])). It is further detailed in a methodological note, which includes results of sensitivity analyses (OECD ENV, 2019[15]). Shares calculated as of September 2015 are applied to 2013, 2014 and 2015 data, while shares calculated as of November 2018 are applied to 2016 and 2017 data.

Table 3.2. Share of multilateral finance attributable to developed countries

Type of institution	Institution name	2015	2018
Multilateral Development Banks	African Development Bank	59.0%	58.2%
	African Development Fund	94%	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%
	IDB Invest	Not applicable	33.6%
	International Finance Corporation	64.1%	64.1%
Multilateral Climate Funds	Adaptation Fund	100.0%	100.0%
	Climate Investment Funds	100.0%	99.0%
	Global Environment Facility Trust Funds	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%

Note: The 2015 percentages are applied to 2013, 2014 and 2015 multilateral climate finance outflow data. The 2018 percentages are applied to 2016 and 2017 data. The merger of the Asian Development Bank's ordinary capital resources (OCR) balance sheet with the lending operations of the Asian Development Fund became effective at the start of 2017. Outflows for the Green Climate Fund, the Inter-American Investment Corporation and the Asian Infrastructure Investment Bank Fund were first recorded in OECD DAC statistics in 2015, 2016 and 2017 respectively.
Source: Annual reports and websites of each of the listed institutions; see also (OECD ENV, 2019[15]) and (TWG, 2015[14]).

3.4. Export credit financing data

Consistent with the approach taken for estimating climate finance in 2013 and 2014 (OECD, 2015[1]), export credits provided by developed countries' official export credit agencies are presented as a separate category. This is because they do not qualify as official development finance due to their financial terms and conditions as well as trade-related aim. Nonetheless, in addition to supporting national exports and facilitating international trade, they can represent a source of climate finance when provided in sectors and for activities that are relevant to climate change mitigation and adaptation.

Estimates are mostly based on data collected annually by the OECD from official export credit agencies. Such data are limited to support to renewable energy projects and technologies. Further, the database only covers export credits provided in conformity with the terms and conditions of the "Arrangement on Officially Supported Export Credits", and reported to the OECD via established procedures. These features imply that there are export credits from official sources that are not included, e.g. export credits that countries have provided on what they consider to be purely market terms, and climate-related export credits outside of renewable energy projects and technologies.

Five countries (Austria, Canada, Japan, Spain, and United States) provided complementary data on climate-related export credits they provided beyond those already included in the aforementioned database. This data was either included in their climate finance reporting to the UNFCCC or provided to the OECD in the context of the preparation of the present report.

3.5. Mobilised private finance data and attribution

The 2015 OECD report includes estimates of private finance mobilised by developed countries' public climate finance in 2013 and 2014 (OECD, 2015[1]). Methodologies and available data for private climate finance were at that point still in their infancy. The 2015 estimates were based on best-available data at the time on private co-finance in projects financed by bilateral and multilateral public climate finance. A share of private co-financing was attributed to developed countries using volume-based pro-rating, taking into account the participation of all public actors involved (bilateral, multilateral, national) based on their respective contributions. While most multilateral providers and a limited number of bilateral providers supplied at least partial project-level data, a significant proportion of the mobilised private finance data

included in the 2015 estimates was reported to the OECD as aggregates or semi-aggregate. When that was the case, the reporting entity committed to having applied the aforementioned accounting boundaries and attribution method (see (OECD, 2015[1]) Part III and Annex E for further details).

The OECD DAC has been working under a high-level mandate to develop an international standard for measuring private finance mobilised by bilateral and multilateral development finance interventions, including for climate action (OECD DAC, 2019[4]). The aim is to provide robust and transparent evidence to inform international processes. This work is carried out jointly with the OECD-hosted Research Collaborative on Tracking Finance for Climate Action, and in close co-operation with experts from bilateral and multilateral development finance institutions. As a result, since 2015, significant progress has been made to develop more tailored methodologies and to collect activity-level data on that basis, resulting in improved and more accurate measurement for 2016 and 2017 (see Table 3.3). The progressive implementation of these improved methodologies, however, results in a data gap in the time series in 2015.

The methods developed have been tested through surveys and refined before being implemented in regular DAC data collection processes. The methods are tailored to different financing mechanisms and follow the following principles: be fair in terms of attribution and incentives provided (taking into account the role of, risk taken and/or amount provided by all official actors involved in a given project, including from recipient countries); be reasonable in terms of accounting boundaries and assumptions about the causal link between public finance and private finance mobilisation; be pragmatic in terms of data availability from reporting institutions. These principles allow in particular to ensure no double counting across institutions active in and reporting on private finance mobilised, which is critical to international-level measurement, to build trust among stakeholders and provide policy makers with robust evidence.

At the time of writing this report, regular data collection on private finance mobilised in the DAC statistical system was operational for the following five public finance instruments and mechanisms: guarantees, syndicated loans, shares in funds, direct investment in companies and credit lines. Following further work in 2017-18, methods for two additional mechanisms have been developed and corresponding survey data collected, including for the purpose of the present report: complex project finance structures involving multiple actors and instruments (in particular in the context of project finance schemes), and standard loans and grants in “simple” co-financing arrangements with private investors.

The OECD DAC is undertaking work to also cover private finance mobilised by technical assistance, where a tangible causal link can be established and where it is technically feasible to collect the data and apply attribution methodologies in a way that avoids double counting. The OECD also pursues work to highlight the critical role that policy interventions and capacity building play in incentivising and catalysing private finance, as done in previous analyses (e.g. (McNicoll et al., 2017[16])).

For this report, amounts of private finance measured as mobilised by multilateral institutions are discounted. This is to ensure that only the developed countries’ share in each institution is accounted for, as is the case for multilateral outflows (see Section 3.3), based on percentages presented in Table 3.2.

Table 3.3. Changes in methods for measuring mobilised private finance in 2016-17

	2013-14 estimates	2016-2017 estimates
Instruments covered	All in principle	All in principle
Accounting boundaries	Total private co-finance	OECD DAC instrument-specific methods taking into account the role of risk taken and/or amount provided by public providers
Causality assumptions	Blanket causality	
Attribution method	100% volume-based pro-rating	
Data granularity	Mostly aggregates for bilateral donors, mostly activity-level or semi aggregates for multilaterals	Activity-level for all bilateral and multilateral public providers

As presented in Table 3.5, the OECD DAC was the primary source of data on private finance mobilised by both bilateral and multilateral climate finance for the years 2016 and 2017, thereby allowing for a consistent application of definitions, accounting boundaries and attribution method, in turn resulting in more robust figures being produced. The OECD invested a significant amount of time and effort in support reporting countries and institutions in order to ensure such consistency, a comprehensive coverage of portfolios of projects and financial instruments mobilising private finance, as well as a systematic climate marking of relevant projects within such portfolios.

On the bilateral side, complementary data was sourced from two countries. Italy, which had yet not been in a position to report to the OECD DAC on private finance mobilised by its development finance interventions, collected and provided ad hoc private finance mobilisation data for their climate-related portfolio of projects. Japan provided data on private finance mobilised by public finance beyond development finance. When including such amounts, and in order to avoid double counting, care was taken to exclude or net out amounts already included in the export credit component, and in particular for export credit guarantees (see Table 2 and Section 3.4).

On the multilateral side, data collection, analysis and aggregation was complicated by the fact that MDBs have, since 2016, progressively developed their own approach for measuring mobilisation (World Bank, 2018[17]). On that basis, MDBs are jointly reporting on mobilisation, both for climate projects (Joint-MDB, 2018[11]), as well as across their full portfolios (IFC, 2018[18]). As summarised in Box 3.1, there are important differences between the MDB and OECD approaches, which imply that combining the two approaches for the purpose of international measurement would lead to double counting. When reporting private finance mobilisation to the OECD DAC, some of the MDBs:

- Applied the MDB approach rather than the OECD DAC method (see Box 3.1);
- Provided data at the time of board approval rather than signature (see Section 3.1.2);
- Anonymised project-level data.

IFC only reported high-level aggregates to the OECD on private finance mobilised for the years 2016 and 2017, due to overarching confidentiality concerns and associated legal and financial risks. The option of a data sharing agreement between the OECD and the IFC for the specific purpose of the present report was explored but the terms of such an agreement could not be agreed by both parties in time. A temporary solution was found to allow the OECD to access project-level IFC data for 2016 and 2017 under controlled conditions in a secure data room at IFC premises. While this allowed the basic analysis needed in order to apply the OECD DAC definitions and methods to IFC projects (for attribution in particular), it did not allow for full data triangulation, constrained the possibility of conducting quality checks and verifications, and prevented ex-post data processing.

Overall, while best efforts were made by the OECD to reconcile, complement, and quality check MDB mobilised private finance data, more streamlined and standardised reporting of mobilised private finance to the OECD is needed moving forward if future estimates are to be as robust as possible. At the time of writing this report, a working group involving the OECD, MDBs and DAC member countries, was in the process of identifying and examining options for achieving this aim.

Box 3.1. OECD and MDB approaches for measuring mobilised private finance

Work has been conducted since 2013 by the OECD, in close collaboration with bilateral and multilateral providers, to develop agreed methods and collect data for measuring private finance by official development finance interventions (see above and (OECD DAC, 2019[4])). Since 2016, a group of MDBs has developed an approach for jointly reporting on their mobilisation of private investment. MDBs aim to measure and communicate private capital mobilised in projects involving MDBs. This work is closely related to requests to MDBs by their shareholders to maximise the use of their resources. In 2017, the MDB group released a reference guide with definitions of the concepts and coverage of "private direct mobilisation", "indirect mobilisation" and "co-financing". The MDB group updated this guide in 2018 (World Bank, 2018[17]) and, on that basis, invited members of the European Development Finance Institutions Association to join the MDBs in their annual joint reporting exercise (IFC, 2018[18]).

A comparison exercise undertaken in 2018 by the OECD and the IFC highlighted some similarities and differences between the two sets of methods. In terms of similarities, the OECD DAC and MDB methodologies capture the same total amounts mobilised for many specific projects (OECD DAC, 2018[19]). Where differences exist in these totals, they are often explained by the fact that the MDB method counts as mobilisation not only purely private finance but also finance provided by public entities on commercial terms. As for differences, the methodologies diverge in how they define private finance, and in the way the amounts mobilised are attributed to the financiers of the projects. The OECD DAC methods share total private finance mobilised between all public actors involved in a given activity, whether bilateral, multilateral or national. The aim in doing so is both to acknowledge the role of all public actors as well as to avoid double counting when aggregating mobilisation data from all providers. In contrast, MDBs attribute so-called "private direct mobilisation" solely to the MDB having signed a mandate letter, received a fee linked to financial commitment, or based on other validated or auditable evidence. Beyond this, the remainder of private finance involved (so-called "private indirect mobilisation") is pro-rated only among MDBs that participate in the joint-reporting. Table 3.4. illustrates the differences that result from applying the OECD DAC and MDB methodologies respectively.

Table 3.4. Comparison of DAC and MDB methods for a syndicated loan

	Role in the syndication	Investment	Attributed mobilised private finance	
			DAC method	MDB method
MDB 1	Arranger	30	40	60
MDB 2	Participant	15	5	0
Bilateral DFI	Participant	30	10	0
National Development Bank	Participant	15	5	0
Private	Participant	60	-	-

Note: The DAC method attributes 50% of private finance involved in the loan syndication to the arranger and the remaining 50% to all public actors involved (including the arranger), pro-rated based on their respective investment volume (OECD DAC, 2019[4]). The MDB method attributed all private finance involved in the syndication to the arranger (World Bank, 2018[17]).

In addition to these differences between OECD DAC and MDB methodologies to measure mobilised private finance per se, it is important to note that a number of more general elements of definitions and methods participate in explaining differences in figures published by the OECD and MDBs respectively. These are described in Sections 3.3 and 3.5.

Table 3.5. Coverage of data collected on mobilised private finance, climate and non-climate, 2016-2017

Provider	Institution	Instruments covered						Data source	
		Credit lines	Direct investments in SPVs or	Guarantees	Shares in funds	Simple co-financing	Syndicated loans	OECD DAC	Ad-hoc data submission
Australia	Australian Department of Foreign Affairs and Trade					√		×	
Austria	Austrian Development Agency					√		×	
	Austrian Development Bank		√		√	√	√	×	
Belgium	Belgian Investment Company for Developing Countries (BIO)		√		√	√	√	×	
Canada	Global Affairs Canada		√				√	×	
Czech Republic	Czech Development Agency					√		×	
Denmark	Investment Fund For Developing Countries (IFU)		√	√	√			×	
Finland	FinnFund	√	√		√		√	×	
France	French Development Agency (AFD)	√		√				×	
	Proparco	√	√	√	√		√	×	
Germany	Federal Ministry for Economic Cooperation and Development	√	√	√	√			×	
	Federal Ministry of Finance				√			×	
	German Investment Corporation (DEG)		√		√		√	×	
	KfW Development Bank	√	√					×	
Ireland	Department of Foreign Affairs and Trade					√		×	
Italy	Servizi Assicurativi del Commercio Estero (SACE)		√						×
	Società italiana per le imprese all'estero (SIMEST)		√						×
Japan	Japan Bank for International Cooperation (JBIC)								×
	Nippon Export and Investment Insurance (NEXI)								×
Luxembourg	Ministry of Foreign Affairs				√	√		×	
Netherlands	Investment Bank for Developing Countries (FMO)	√	√	√	√	√	√	×	
Norway	Norfund		√	√	√		√	×	
	Norwegian Agency for Development Co-operation (NORAD)					√		×	
Portugal	Institute for Cooperation and Language (Camões)			√		√		×	
	SOFID Sociedade para o Financiamento do Desenvolvimento			√		√		×	
Slovak Republic	Slovak Agency for International Development Cooperation					√		×	
Spain	Development Promotion Fund (FONPRODE)				√			×	

Sweden	Swedfund				√		√	×	
	Swedish International Development Authority (Sida)			√		√		×	
Switzerland	Swiss Agency for Development and Cooperation (SDC)					√		×	
	Swiss Investment Fund for Emerging Markets (SIFEM)		√		√		√	×	
	State Secretariat for Economic Affairs (SECO)					√		×	
United Kingdom	CDC Capital Partner		√	√	√		√	×	
	Department for Business, Energy and Industrial Strategy				√	√		×	
	Department for International Development (DFID)				√	√		×	
United States	Agency for International Development (USAID)			√		√		×	
	Overseas Private Investment Corporation (OPIC)		√	√	√		√	×	×
Multilateral	African Development Bank (AfDB)	√	√	√	√	√	√	×	
	Asian Development Bank (ADB)		√	√	√		√	×	×
	Climate Investment Funds (CIFs)		√		√	√			×
	Credit Guarantee and Investment Facility (CGIF)			√					
	European Bank for Reconstruction and Development (EBRD)	√	√	√	√		√	×	
	European Investment Bank (EIB)	√	√	√	√			×	
	Global Energy Efficiency and Renewable Energy Fund (GEEREF)				√				
	Green Climate Fund (GCF)		√		√				×
	Inter-American Bank Group (IDB)						√	×	
	International Finance Corporation (IFC)	√	√	√	√		√		×
	International Fund for Agricultural Development (IFAD)					√			
	Private Infrastructure Development Group (PIDG)		√	√			√	×	
	Multilateral Investment Guarantee Agency (MIGA)			√				×	
	Nordic Development Fund (NDF)		√	√		√		×	
	World Bank ((IDA/IBRD)			√				×	

Note: **Green √** indicate that the 2016-17 mobilised private finance dataset reported to the OECD included at least one climate-related activity. Grey √ indicate that the dataset did not include any climate-related activity. All the data was collected on a calendar year basis. Most institutions provided data at the point of commitment but some multilateral development banks' data was based on the earlier point of board approval. DEG (Germany) reported mobilised private finance data across its climate portfolio for 2017 but not for 2016; to fill this gap, 2016 mobilisation was assumed equal to 2017. EIB reported mobilised private finance across its climate portfolio in 2017 but only for credit lines in 2016; this gap was filled by assuming a discounted level of mobilisation in 2016 compared to 2017 based on lower EIB climate finance outflows in 2016 than in 2017.

References

IFC (2018), *Mobilization of Private Finance by Multilateral Development Banks and Development Finance Institutions*, https://www.ifc.org/wps/wcm/connect/publications_ext_content/ifc_external_publication_site/publications_listing_page/2018_mdb-mobilization-report. [18]

Joint-MDB (2018), *Joint Report on Multilateral Development Banks' Climate Finance*, https://www.ebrd.com/2017-joint-report-on-mdbs-climate-finance. [11]

McNicoll, L. et al. (2017), "Estimating Publicly-Mobilised Private Finance for Climate Action : A South African Case Study", *OECD Environment Working Papers*, No. 125, OECD Publishing, Paris, https://dx.doi.org/10.1787/a606277c-en. [16]

OECD (2016), *2020 Projections of Climate Finance Towards the USD 100 Billion Goal: Technical Note*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264274204-en. [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, https://dx.doi.org/10.1787/9789264249424-en. [1]

OECD DAC (2019), *Amounts Mobilised from the Private Sector for Development*, https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/mobilisation.htm. [4]

OECD DAC (2019), *Results of the first survey on coefficients that Members apply to the Rio marker data when reporting to the UN Conventions on Climate Change and Biodiversity*, http://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/climate-change.htm. [12]

OECD DAC (2019), *Statistics on External Development Finance Targeting Environmental Objectives Including the Rio Conventions*, http://oe.cd/RioMarkers. [6]

OECD DAC (2018), *Measuring Mobilisation: Briefing on Efforts to Harmonise OECD and MDB Measurement Methodologies*, http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DCD/DAC(2018)25&docLanguage=En. [19]

OECD DAC (2016), *Rio Markers for Climate: Handbook*, http://oe.cd/RioMarkers. [13]

OECD ENV (2019), *Attribution of multilateral climate finance in the report "Climate Finance in 2013-14 and the USD 100 billion goal"*, https://www.oecd.org/environment/oecd-cpi-climate-finance-report.htm. [15]

OECD TAD (2018), *Export Credits Work at the OECD*, http://www.oecd.org/trade/topics/export-credits. [7]

TWG (2015), *Input to the OECD-CPI Report*, http://www.news.admin.ch/NSBSubscriber/message/attachments/41225.pdf. [14]

UNFCCC (2019), *Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement*, https://unfccc.int/process-and-meetings/the-paris-agreement/paris-agreement-work-programme/katowice-climate-package. [3]

UNFCCC (2018), *Third Biennial Reports - Annex I*, https://unfccc.int/process-and-meetings/transparency-and-reporting/reporting-and-review-under-the-convention/national-communications-and-biennial-reports-annex-i-parties/third-biennial-reports-annex-i. [5]

United Kingdom and Australia (2016), *Climate Finance Roadmap to US$100 Billion*, https://www.gov.uk/government/publications/climate-finance-roadmap-to-us100-billion. [8]

UN-OHRLLS (2019), *SIDs Country Profiles*, http://unohrlls.org/about-sids/country-profiles/. [9]

UN-OHRLLS (2018), *About LDCs*, http://unohrlls.org/about-ldcs/. [10]

World Bank (2018), *MDB Methodology for Private Investment Mobilization: Reference Guide*, http://documents.worldbank.org/curated/en/813091529416636675/MDB-methodology-for-private-investment-mobilization-reference-guide. [17]

Links

http://oe.cd/cf-2013-17

http://oe.cd/RioMarkers

www.oecd.org/env/researchcollaborative

www.oecd.org/dac/financing-sustainable-development/development-finance-standards/mobilisation.htm

www.oecd.org/environment/cc/ccxg.htm

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

OECD PUBLISHING, 2, rue André-Pascal, 75775 PARIS CEDEX 16
ISBN 978-92-64-63417-6 – 2019

OECD

BETTER POLICIES FOR BETTER LIVES