

Understanding climate change finance flows and effectiveness – mapping of recent initiatives

Neil Bird with contributions from Tom Beloe, Stephanie Ockenden, Jan Corfee-Morlot and Sáni Zou

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Contents

Introduction	4
Mapping of different knowledge management initiatives	4
(i) Tracking international climate finance flows.....	4
International Organisations	5
Multilateral Development Banks and Other Development Finance Institutions	6
Civil Society Organisations, including Research Non-governmental Organisations	8
(ii) The aid effectiveness of climate finance.....	9
Country Studies.....	9
Civil Society Organisations, including Research Non-governmental Organisations	10
(iii) National delivery of climate finance	11
Studies.....	11
(iv) Knowledge sharing on climate finance	12
National platforms	12
Regional platforms.....	12
Global platforms	13
Conclusions	14

Introduction

This paper is aimed primarily at government officials who are involved in decision making over how to utilise climate finance¹ in support of relevant national actions. It provides an overview of the large number of initiatives that have been implemented to assist developing countries manage their response to climate change, both through information provision and policy-relevant analysis.

Mapping of different knowledge management initiatives

A number of initiatives are underway by a range of donor, civil society and academic actors to improve understanding of climate finance. A progression in this analytical work can be charted as:

- (i) ***Tracking international climate finance flows:*** Much of earliest work, from 2009 onwards, was focused on understanding the international architecture for the delivery of climate finance, with an emphasis on the tracking of climate finance flows. This remains a major field of enquiry and research that generates much international policy attention. The most recent developments have been to review Fast Start Finance reporting and to take steps to improve existing systems and develop more systematic approaches to tracking.
- (ii) ***The aid effectiveness of climate finance:*** The next wave of analytical work began in 2010, with the intention of learning lessons from the experiences of development finance. In 2011, the Busan Partnership for Effective Development Co-operation identified climate finance as a development priority, indicating that the principles by which the quality of aid delivery has been judged can be used as a lens through which climate finance delivery can also be assessed.
- (iii) ***National delivery of climate finance:*** Attention then turned in mid-2011 to an approach that focused on the delivery of climate finance. This analysis focused on the government budgetary system as the principal mechanism whereby climate change policies are resourced and finance is channelled.
- (iv) ***Knowledge sharing platforms:*** Simultaneously, there has been an emergence of knowledge sharing initiatives, bringing climate finance practitioners together at national, regional and global level to contribute towards a better co-ordination and allocation of climate finance.

The following sections, whilst not necessarily exhaustive, describe the main initiatives that have been involved in the provision of these knowledge management tools.

(i) Tracking international climate finance flows

Various aspects of climate finance flows are reported upon, monitored and tracked via a number of initiatives and online platforms, ranging from efforts led by contributor countries, to those of international organizations, multilateral development banks and development finance institutions, to several research institutes and civil society efforts. A number of for-profit commercial data providers, such as Deutsche Bank Research, PointCarbon and Bloomberg NEF, concentrate on tracking and providing information on private sector and carbon market finance flows.

¹ Climate finance remains an imprecise term that has no commonly accepted definition. However, it is generally understood to mean those financial resources that are directed at supporting climate change related actions in developing countries (i.e. both adaptation and mitigation as well as relevant reporting activities). It covers a wide range of sources (both public and private) and mechanisms (e.g. grant finance and concessional loans).

These climate finance reporting and tracking efforts are listed below, with a brief description of the information tracked. This listing indicates the considerable investment made at the international level to identify and track climate finance that is going to developing countries. However, it also shows the bewildering complexity of initiatives, which can act as a barrier to developing country governments in their effort to see 'the wood for the trees', and secure a coherent oversight of international commitments. This continues to be the first issue of major concern in many developing countries.

International Organisations

- **United Nations Framework Convention on Climate Change (UNFCCC)** – the UNFCCC Secretariat launched its [Finance Portal](#) under the UNFCCC website in November 2011. This site aims to provide information on the financial flows mobilized to achieve the objectives of the Convention, via three distinct information modules: (i) data and information derived from UNFCCC Parties National Communications (the reported financial contribution of industrialized countries under existing commitments); (ii) a 'fast start finance' module presenting information also provided by developed country Parties; and (iii) flows of funds under GEF management (the LDCF, SCCF and the climate change portion of the GEF Trust Fund). The UNFCCC Secretariat also provides a sub-page [Funding for Adaptation](#) that lists 25 multilateral and bilateral adaptation funding options with links to respective funds' and programs' websites. These include existing adaptation finance mechanisms under the UNFCCC and the Kyoto Protocol, such as the Adaptation Fund, together with the SCCF and the LDCF housed at the GEF². Going forward, the UNFCCC will be collecting information on climate finance in 2014 from parties' submissions of Biennial Reports and the Standing Committee on Finance will undertake an overview and biennial assessment of flows.
- **Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD DAC)** – Since 1998 the OECD DAC has monitored aid targeting the objectives of the Rio Conventions, including both bilateral commitments and some multilateral agencies grants and loans, through its [Creditor Reporting System \(CRS\)](#), using the so-called '[Rio markers](#)'. The Rio marker methodology captures information on every aid activity that targets climate change mitigation (drawing on eligibility criteria developed by the DAC in collaboration with the UNFCCC Secretariat, and where data are available since 1998) and climate change adaptation (since 2010). Every aid activity reported is screened and marked against each Rio marker objective as either (i) targeting as a 'principal objective' or a 'significant objective', or (ii) not targeting the objective. Reporting on the Rio markers is systematic and comprehensive across all DAC member governments for Official Development Assistance, and Rio Markers are applied to non-export credit Other Official Flows (OOF). The DAC is also increasingly tracking multilateral climate-related aid. OECD DAC members in November 2013 established a [Joint Task Team](#) of the DAC Network on Environment and Development Co-operation (ENVIRONET) and Working Party on Development Finance Statistics (WP-STAT) to undertake a one year work programme to improve the Rio markers, environment and development finance statistics.
- **Climate Change Expert Group (CCXG supported by the OECD and IEA)** - The CCXG has issued [a series of papers](#) on questions relating to data availability, quality and consistency on different sources of international climate finance to support developing county action on climate change. Early work has focused on how to build on existing information and systems to develop a comprehensive system for tracking climate finance. The 2012 study '[Tracking](#)

² SCCF: Special Climate Change Fund, for which all developing countries are eligible; LDCF: Least Developed Countries Fund, for which only LDCs are eligible.

[Climate Change: What and How?](#) reports findings on two questions related to the tracking of international climate finance: 'How the international community counts both public and private financial flows towards the \$100 billion commitment?' and 'How to track these flows?'. Examples of different types of funding for mitigation and adaptation activities in developing countries are presented to illustrate some of the challenges identified for tracking. While citing that significant gaps and data quality issues, it estimates that aggregate North South flows of climate finance in 2009-10 are in the range of 70 to 120 bn USD annually (from public and private sources). The 2013 study '[Comparing Definitions and Methods to Estimate Mobilised Climate Finance](#)' examines the range of definitions employed to measure private climate finance mobilised by interventions, as well as the methods to track such private climate finance. A central OECD [website on climate finance](#) features other relevant OECD work.

- **UNDP MPTF Office Gateway** – Since 2010, the [UNDP Multi-Partner Trust Fund Office Gateway](#) provides real-time information on the balance of resources committed, deposited, budgeted, transferred, and spent within a large number of UNDP-administered funds. This portfolio includes funds that support humanitarian, recovery, reconstruction and development processes. It covers a small number of climate change initiatives (including the recently established [Mali Climate Fund](#)).
- **Climate Finance Options** – This [website](#), launched at the Cancun COP meeting in December 2010, is a joint World Bank-UNDP initiative. It aims to provide information on the financial options available for climate action in developing countries by describing how to access the wide range of funds available from multilateral and bilateral institutions, as well as public and private sources. The website also features a database of best practice examples of the use of climate finance sources. The website provides detailed search functions on sector, thematic focus and funding mechanisms for both funding sources and projects on the ground, but does not track or aggregate funding disbursements under the initiatives and financial options listed.
- **Voluntary REDD+ Database** – The [Voluntary REDD+ database](#) was launched at the Ministerial Meeting of the REDD+ Partnership in Nagoya, Japan in October 2010. Jointly managed by FAO and UNEP-WCMC, the database provides information on REDD+ financing, together with actions and results that has been reported to the REDD+ Partnership. The core data consists of agreements to undertake REDD+ related actions, involving funders and recipients.
- **Research Collaborative on Tracking Private Climate Finance** – The [Research Collaborative](#) was launched in 2012 as an open network, co-ordinated and hosted by the OECD, of relevant research organisations, international finance institutions and interested governments. The goal is for participants to partner, combine and share best available data, expertise and information. The objectives are to identify, develop and assess methodological options both for tracking private climate finance and for measuring those private flows being mobilised by developed countries public interventions, and to subsequently conduct pilot measurements.
- **[Global Trends in Renewable Energy Investment 2013](#) by the Frankfurt School - UNEP Centre for Climate & Sustainable Energy Finance** - is an annual report on finance for renewable energy, and a sister publication to the [Renewable Global Status Report \(GRS\)](#) produced by REN 21.

Multilateral Development Banks and Other Development Finance Institutions

- **The World Bank Group** – The World Bank has developed a system to measure funding that contributes to climate-change adaptation and mitigation, enabling comprehensive, transparent and consistent reporting on its climate-related lending. This system covers the

World Bank's own resources (IBRD and IDA) as well as a number of external resources, including climate finance (e.g. funding from the Climate Investment Funds flowing through the World Bank). Data (available from FY11 onwards) show that between 20 to 30% of IBRD and IDA commitments support climate action every year since 2011. This is a first step to provide open and transparent information about the World Bank's engagement on climate change and complementary efforts are underway to measure impacts (e.g. GHG accounting to be piloted in select sectors in 2013). The World Bank also reports to the OECD DAC Secretariat on its climate relevant outflows. The IFC, the World Bank's private sector arm, has been tracking its climate-related financing since 2005. IFC also measures project GHG emissions as well as reductions. More information is available on the IFC [Climate Business](#) website. Along with other Multilateral Development Banks, the World Bank and IFC made significant progress through 2012 in harmonizing definitions, operational criteria and accounting principles to work towards better climate finance monitoring (see Joint MDB reporting bullet point below).

- **Climate Investment Funds (CIFs)** - With USD 7.2 billion in pledges, the CIFs aim to support transformative adaptation and mitigation at scale in 48 countries. The CIFs are implemented by a group of Multilateral Development Banks and information about financial pledges, commitments and projects is provided on the CIF [website](#).
- **Forest Carbon Partnership Facility (FCPF)** – The World Bank's FCPF Dashboard provides periodic updates of country status concerning progress under the Forest Carbon Partnership Facility, with figures on grants signed and/or disbursed, as well as a financial summary.
- **Regional Development Banks (ADB, AfDB, IDB, EBRD, EIB)** – The regional development banks (together with the WB and IFC) are implementing agencies for investments by the CIFs. They also report on climate-related ODA flows not going through the CIFs but handled via their own programs and projects based on their own mandates and operations. However, they use different indicators to classify projects (relevant information is available as part of their respective annual reports or under 'climate change' webpages). Most have public project databases with search engines, although the capacity of these to search for climate-related projects is in general limited.
- **Joint MDB Reporting Initiative on Climate Finance** –MDBs have joined to develop a joint common approach for climate finance reporting. The group is made up of the African Development Bank (AfDB), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Inter-American Development Bank (IADB), the World Bank (WB), and the International Finance Corporation (IFC). Joint reports on 2011 [adaptation](#) and [mitigation](#) finance were released in 2012, and a combined joint report on [2012 climate finance](#) was released in 2013.
- **UNEP-BFI Climate Change Working Group (CCWG)** – Since 2009, a UNEP Climate Change Working Group for Bilateral Finance Institutions has been in operation. It has reported on collective climate change financial flows of participating BFIs, presently comprised of Agence Française de Développement (AFD), KfW Entwicklungsbank (Development Bank, Germany), Japan International Cooperation Agency (JICA), Nordic Environment Finance Corporation (NEFCO), and the European Investment Bank (EIB) to developing countries. The term 'climate financing' is broadly defined as finance flowing from developed to developing countries, including support for mitigation, adaptation, policy and capacity-building. The report covers both concessional and non-concessional (public) development finance. The Group's recent work includes a [mapping](#) of participating BFIs' climate finance flows to developing countries in 2011, as well as a [report](#) that provides examples of innovative climate finance mechanisms used by BFIs. Notably, the methodology combines the DAC Rio markers with accounting methods of some member institutions.

- [The International Development Finance Club](#) - has undertaken *Green Finance Mapping* with the aim of identifying and categorizing financial flows of IDFC Members to projects in the fields of green energy, adaptation and mitigation of climate change and the reduction of greenhouse gas emissions. The mapping initiative for 2011 provides consistent information on green finance flows from a major group of national, sub regional and international development banks based in OECD and non OECD countries, including domestic flows.
- The **first-ever gathering of Development Finance Institutions and Development Bank leaders** in Frankfurt, September 2013, led to a collective commitment to scale up capital for investment in green economies and curtail projects leading to significant fossil-fuel based GHG emissions as well as a commitment to work together on MRV. A [2013 CPI survey of DFIs](#) resulted in some insights on the orders of magnitude of climate-related development finance flowing through these institutions.

Civil Society Organisations, including Research Non-governmental Organisations

- **ODI/Heinrich Boell Foundation** – the [Climate Funds Update](#) website provides an aggregate picture of all climate change finance flows from North to South through 26 dedicated climate change funds. While other information sources provide detail on individual funds and contributions, CFU’s aggregated data of both bilateral and multilateral funds allows for comparability, cross-checking and global stock taking. CFU’s current framework on financial flows allows stakeholders to assess global contributions by funders, the landscape of supported projects, and the allocation of support across themes, regions, and countries. CFU represents the first open source data set in the world providing aggregate data on climate finance disbursements.
- **World Resources Institute (WRI)** – WRI is tracking the public financing commitments made by developed countries at the Copenhagen COP meeting in 2009 and their allocation for the period 2010-2012 (Fast Start Finance). Data on individual contributor countries is compiled in a [summary table](#) available online (last updated in November 2012). WRI is also involved in working on the MRV of public climate finance by [developing methodologies and guidelines](#) and by [building capacity in developing countries](#), as well as through a collaborative project, the [Open Climate Network](#). As part of this project, WRI, ODI and IGES have assessed [lessons from the fast start finance period](#) drawing on in depth country reviews of fast-start finance contributions from Germany, Japan, Norway, UK and US.
- **Climate Policy Initiative (CPI)** – The CPI have reported on the [‘The Landscape of Climate Finance’](#) in 2011, 2012 and 2013, providing an annual inventory of the climate finance that is flowing in, to, and between countries each year – based on available data sources. These inventories are viewed as the most comprehensive overviews of global climate finance.
- **Project Catalyst** – [Project Catalyst](#), an initiative launched in 2008 by the NGO ClimateWorks, compiles data on public Fast Start Finance and international climate finance flows, as well as future global total climate finance needs (by both public and private climate finance contributions). This information is presented via a variety of analytical papers and briefings, but not in tabular or graphical format on a continually updated basis.
- **Ecosystem Marketplace** – [The Ecosystem Marketplace](#), a project of Forest Trends, is a source of news, data, and analysis on markets and payments for ecosystem services (such as water quality, carbon sequestration, and biodiversity). It covers carbon markets, specifically Kyoto-related carbon markets (the EU ETS, CDM and JI) as well as voluntary and regional carbon markets and exchanges. Together with Bloomberg New Energy Finance, it publishes a yearly [report](#) on the state of the voluntary carbon market.

- **REDD Countries Database** – The REDD Desk’s [REDD Countries Database](#) provides information on REDD activities in a number of tropical countries. An initiative of the Global Canopy Programme and the Forum on Readiness for REDD, it is organised by country and summarises key information across a range of areas including national policies, plans, laws, statistics, activities and financing.
- **Germanwatch** – [Different Tales from Different Countries](#) is the first third-party assessment on the OECD adaptation markers. Based on the Creditor Reporting System dataset published in March 2012, the paper examines the validity of these results and the credibility of the marker, and makes recommendations on ways to improve the current reporting system.
- **Climate Change and African Political Stability Climate Codebook** – This joint [exercise](#) was completed in 2012 by the University of Texas at Austin and the Development Gateway, to track climate change adaptation related aid based on developing country owned aid data. The methodology codes all ODA projects and activities in a developing country’s Aid Management Platform according to the Rio markers’ definition of primary and significant adaptation objectives. A pilot coding exercise has been conducted in Malawi. Malawi’s climate coded activities are also geo-coded on the CCAPS [website](#), along with African Development Bank and World Bank projects in Africa.

(ii) The aid effectiveness of climate finance

Country Studies

The second wave of studies primarily reflects a contributor country perspective to learn from the experiences of the development cooperation relationship between developed and developing countries. It builds on a considerable body of analytical work on aid effectiveness that has been carried out since the signing of the 2005 Paris Declaration on Aid Effectiveness. The Paris Declaration was a joint undertaking by developed and developing country governments to fulfil five key commitments to improve aid effectiveness; the appropriateness of applying these principles³ to climate finance, however, remains a continuing source of debate. The Paris commitments involved supporting national ownership of the development process, promoting donor harmonisation, aligning donor systems with national systems, managing for results, and mutual accountability between donor and recipient. These principles of aid effectiveness provide the analytical framework by which the first country studies on climate finance delivery were undertaken.

- **European Commission (by ODI, IDS and DIE)** – Under the EDC2020 project’s [climate change component](#), ODI together with the Institute for Development Studies (IDS) and the German Development Institute (DIE) evaluated the approach taken by the European Union at both Member State level (e.g. Germany’s International Climate Initiative, ICI) and through the European Commission (e.g. the Global Climate Change Alliance, GCCA), to help support climate change actions in developing countries through development cooperation. In addition to the principles that help guide development cooperation, the project’s [analysis](#) identified principles derived within the UNFCCC negotiations to guide the application of climate finance. Two country case studies were undertaken: in [Bangladesh](#) and [Indonesia](#).
- **CDDE Facility (by Agulhas, WRI and UNDP)** – in 2010, five country studies were commissioned by the Capacity Development for Development Effectiveness (CDDE) Facility, supported by the Asian Development Bank, Government of Korea, Government of Japan, Swedish SIDA and UNDP as part of a regional dialogue process in the Asia-Pacific region, also

³ Ownership, alignment, harmonisation, managing for results and mutual accountability

supported by the OECD DAC. The purpose of the initiative was to develop a set of recommendations regarding the programming of climate change finance at the national level. The initiative sought to strengthen the management of climate change finance by national governments and donors through a consideration of the five Aid Effectiveness principles. Country studies were completed in [Bangladesh](#), [Cambodia](#), [Indonesia](#), [Philippines](#), [Vietnam](#), and a synthesis report - [Realising Development Effectiveness: Making the Most of Climate Change Finance in Asia and the Pacific](#) - was also prepared.

- **African Development Bank and OECD (by Agulhas)** - together with the African Development Bank, the OECD DAC commissioned country case studies on climate change finance management in several African countries ([Cameroon](#), [Ghana](#), [Kenya](#), [Morocco](#), [Tanzania](#), [South Africa](#)). Having these reports as inputs, a regional dialogue was organised in Nairobi in 2011 with broad participation from African governments, development partners, civil societies and media. The workshop concluded with a statement - [The Nairobi Call for Action: An African Approach to Accountable and Effective Climate Finance](#), which identified actions for both African countries and development co-operation to ensure the effective channelling of international climate finance.

Civil Society Organisations, including Research Non-governmental Organisations

There are also a large number of international and regional civil society analyses and commentaries on channelling climate finance using development effectiveness principles. These range from studies that have assessed existing monitoring and evaluation systems for international climate finance in bilateral and multilateral intermediaries to more descriptive information notes aimed at non-government actors and advocacy-related commentaries and analytical research. Some recent examples include:

- **EDF, CPI, ODI, Brookings** – the 2011 report [‘Improving the Effectiveness of Climate Finance: Key Lessons’](#) provides a literature review on international public, private and market-based finance, as well as broader development finance. It also summarises lessons for policymakers to address two key questions: ‘What makes climate finance effective?’ and ‘What tools, methods, or systems might improve the effectiveness of climate finance?’
- **Oxfam** – the 2011 report [Minding the Money](#) took Nepal as a country case study to examine the governance of adaptation finance and the challenges facing delivering support to those most vulnerable to climate change.
- **IBON International** – the 2011 policy brief [Climate Finance: Key Issues for Durban](#) highlighted the international funding gap and the need to transform climate finance governance and delivery.
- **Lowy Institute** – the 2011 policy brief [Turning the Tide](#) focused on the challenge of improving access to climate financing in the Pacific Islands.
- **IDASA** – the 2011 paper [Beyond the jargon: the governance of climate finance](#) called for funding for adaptation and mitigation to be aligned with development objectives and national strategies.
- **Aidinfo** – the 2012 report [Towards Climate Finance Transparency](#), which was a joint collaboration with Publish What You Fund, examined the general principles at the intersection between aid transparency and climate finance.
- **CPI** – the 2012 report [‘Public Climate Finance: A Survey of Systems to Monitor and Evaluate Climate Finance Effectiveness’](#) examines the monitoring and reporting systems of eight

multilateral and bilateral intermediaries that play an important role in the distribution of international public climate finance.

- **Global Witness** – the 2012 report [Safeguarding REDD+ Finance](#) examined the transparency of international financial flows, primarily through multilateral funds, in support of the REDD+ forest protection mechanism.

(iii) National delivery of climate finance

The third, and most recent, wave of analytical work on climate finance delivery has moved thinking beyond a context defined by the relationship between contributor and recipient countries, to one that focuses on the national system. It emphasises the policy, institutional and budgetary framework through which climate change actions need to be identified, financed and implemented within developing countries. It attempts to support country efforts in an explicit way by identifying where capacities require strengthening in order to respond to climate change.

Studies

- **Climate Public Expenditure and Institutional Reviews (CPEIRs) by ODI in collaboration with UNDP** – the first national study of climate finance delivery that examined public expenditure and the national budgetary system in detail was carried out in [Nepal](#) in 2011. This study was followed by one in [Bangladesh](#). Further country studies, in [Thailand](#), [Cambodia](#), [Samoa](#), and [Indonesia](#) were undertaken in 2012 using the same approach (termed Climate Public Expenditure and Institutional Reviews, CPEIRs). Further country studies and synthetic analyses have been carried out and are reported on the CDDE Asia – Pacific [website](#).
- **National studies on promoting effective national climate finance by ODI and national partners, supported by DFID** – national climate finance country studies have been carried out in three East African countries ([Uganda](#), [Tanzania](#), and Ethiopia [forthcoming]). These country studies provide detailed information on how key government agencies utilise their existing budgets and resources to address climate change issues.
- **Climate Change Public Expenditure Reviews (CCPERs) by the World Bank** – the World Bank is currently working with the Governments of [Morocco](#), [the Philippines](#) and Vietnam on Climate Change Public Expenditure Reviews. The Reviews address the expenditure implications of national climate change policies.
- **Climate Change and Public Expenditure Review Sourcebook by the World Bank with UNDP and DFID** – The Sourcebook, which is under preparation, seeks to provide public expenditure management practitioners and climate change specialists with the information and tools needed to respond to the public expenditure policy and management challenges arising from climate change.
- **Country studies in Latin-America on the barriers to successful climate finance** – a series of country-led dialogues and assessments in Latin America have been started, to map national barriers to effective access, management and accountability of climate finance. El Salvador conducted a [study](#) on the barriers to effective climate finance, and similar country studies are underway in Honduras and Guatemala.
- **[Monitoring the Receipt of International Climate Finance by Developing Countries](#) by WRI supported by UNEP** - This report completed in 2012 identifies existing country systems tracking ODA and other international climate finance in three Asian-Pacific countries

(Indonesia, the Philippines and Vietnam). The report also explored capacity gaps and other challenges faced by these systems and potential areas for future development.

- **Climate finance readiness studies by ODI and the Africa Climate Finance Hub supported by GIZ** – This programme of work, currently being undertaken in [Namibia](#), [Zambia](#) and [Tanzania](#), has started to explore country readiness needs for the effective use of climate finance in three countries.
- **The Nature Conservancy (TNC)** - has worked with a number of recipient countries (Brazil, Costa Rica, Indonesia, Micronesia, Mexico and Peru), to evaluate the design and implementation of the national institutional arrangements. In 2011, they published an overview of lessons learnt in a report entitled "[Enhancing the effectiveness of climate finance](#)".
- **Fit for the Funds: National Climate Finance Institutions Support Programme** – a project of the Frankfurt School UNEP Collaborating Centre for Climate & Sustainable Energy Finance, "[Fit for Funds](#)" aims to mobilise climate investment by helping domestic financial actors in climate finance recipient countries to build capacities and skills. It does so by bringing together national climate finance institutions from Asia, Africa and Latin America - enabling them to share practical experience, to initiate joint research projects according to interests and needs, and to prepare for participating effectively in the international climate finance architecture.

(iv) Knowledge sharing on climate finance

This section outlines some examples of recent knowledge sharing initiatives, bringing climate finance practitioners together at national, regional and global level.

National platforms

- **Vietnam Support Programme to Respond to Climate Change (SP-RCC)** – The SP-RCC is a programme among six bilateral and multilateral climate finance providers working in Vietnam - AFD, AUSAID, CIDA, JICA, Korea Exim Bank and the World Bank - to facilitate technical co-operation, finance co-ordination and policy dialogue. Operational since 2009, it also provides a mechanism for pooling external climate finance, and has channelled \$510 million in the past four years. Notably, its only domestic channel of disbursement is budget support. SP-RCC is also a platform engaging climate policy dialogue among national ministries and regional partners, and monitors policy action and progress twice a year.
- **Kenyan Climate Change Co-ordination Group (CCCG)** –[CCCG](#) is Kenya's national climate change knowledge sharing tool. Its goals are to raise awareness and to promote coordination of donor activities in Kenya, by mapping externally funded activities according to donor, geographic location and objective. It is chaired by a Permanent Secretary and co-chaired by a donor representative on a rotating basis, and includes representatives from CSOs, the private sector, and local governments among its members.

Regional platforms

- **SIDS DOCK** - initiated by the Caribbean Community Climate Change Centre (5Cs) and the Secretariat of the Pacific Regional Environment Programme (SPREP), [SIDS DOCK](#) aims to mobilise financial and technical resources to catalyse low-carbon economic growth in Small Island Developing States (SIDS). To meet these objectives, the mechanism

facilitates the blending of finance from bilateral and multilateral donors, global carbon markets and the domestic government, private sector, as well as knowledge sharing.

- [Regional knowledge sharing platform in Latin America](#) – Climatefinance.info is the first knowledge-sharing platform on climate finance in Latin America. The platform is run by MultiPolar in coordination with government partners from Chile, Colombia, the Dominican Republic, El Salvador, Honduras, Indonesia, the Philippines, and Peru. The first Regional Dialogue was organised in Tela, Honduras in May, 2012, from which lessons and the way forward have been [summarised](#). As a follow up of this first sharing exercise, the government of El Salvador conducted a [Barrier Analysis for accessing Climate Finance](#), which has led to the development of a Route Map for climate finance in the country. A similar action is being conducted in the Dominican Republic. The second Regional Dialogue was held in El Salvador in June 2013, and the [summary](#) published.
- **The Pacific Islands Forum** -- the Forum supports Pacific Small Island developing states to develop climate plans and systems, and is developing tools to support its members to take action. A prime example is the [Pacific Climate Change Finance Assessment Framework](#), published in May 2013, which aims to improve at country level the readiness to access and allocate climate finance and support. The Republic of Nauru has undertaken the first [national climate change financing assessment](#), to test the Framework as part of an effort to take significant steps to address climate change.

Global platforms

- [Busan Partnership for Action on Climate Finance and Development Co-operation Effectiveness](#) – Agreed under the 4th High Level Forum on Aid Effectiveness in Busan, Korea in 2011, this voluntary partnership promotes coherence and collaboration for the effective management of climate finance across the climate and development communities. Guided by the development effectiveness principles, it defines the effectiveness of climate finance by the five principles of country ownership, alignment behind country priorities and systems, harmonisation, focusing on results and mutual accountability. The partnership facilitates the sharing of in-country approaches and experiences with other countries at the regional and global levels. To-date, 27 development co-operation providers and partner countries as well as international organisations and civil societies are collaborating under the partnership.
- [Climate and Development Knowledge Network \(CDKN\)](#) – the network supports decision-makers in designing and delivering climate compatible development by combining research, advisory services and knowledge management in support of locally owned and managed policy processes. CDKN works in partnership with decision-makers in the public, private and non-governmental sectors nationally, regionally and globally, and is managed by an alliance of organisations lead by PricewaterhouseCoopers LLP (PwC), and including ODI, Fundación Futuro Latino americano, INTRAC, LEAD International, and South South North.
- [Adaptation Learning Mechanism \(ALM\)](#) is an online platform for sharing information on adaptation practice among a growing network of development cooperation partners including the tracking climate finance. Its core partners are the Food and Agriculture Organisation (FAO), the Global Environment Facility (GEF), the International Fund for Agricultural Development (IFAD), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the United Nations Framework Convention on Climate Change (UNFCCC), USAID, and the World Bank. The Swiss Agency for Development and Cooperation and the Institut de l'Énergie et de l'Environnement de la

Francophonie (IEPF) are co-sponsors. The online platform provides project and programme descriptions and tracks the amount of funding and co-financing for projects and initiatives by country, funding source, theme, type and leading organisation.

- [Global Climate Change Alliance \(GCCA\) of the European Commission](#) – the GCCA fosters [dialogue](#) and exchange of experience between the EU and developing countries on climate policy and on practical approaches to integrate climate change into development policies and budgets. The results feed into the development of a post-2012 climate regime under the UN Framework Convention on Climate Change (UNFCCC), and inform the technical and financial cooperation supported by the GCCA. Dialogue takes place at global, regional and national levels.

Conclusions

The analysis of climate finance is a rapidly evolving field of enquiry, where the initial focus on the sources of such finance has given way to a more holistic evaluation of its delivery. In addition to the continuing interest to identify the scale of such flows, questions are now being asked of the effectiveness of this spending (including methodological questions about how to assess effectiveness). Information provision comes from a wide range of actors, including donor agencies, civil society organisations including research organisations, international organisations and academia. Maintaining an overview of this wealth of information is a major challenge for those involved in determining national policy (as well as for development partners).

There is a broad range of development partner activity now underway in support of effective national climate change action in most developing countries. There is a growing literature on such activity, across the themes of both mitigation and adaptation, where the continuum of relevant activity is broad, ranging from support for ‘hard’ adaptation investment to ‘soft’ investments in capacity building for climate resilience and sustainable development, and some activities are focused on climate change alone whereas others are on how to climate-proof other development activities. Development finance and co-operation captures an ever expanding list of activities.

New themes are also appearing. First, there is increasing interest to understand the process whereby national resources (including development finance) are allocated and transferred down through different tiers of government, or associated non-governmental activities, so as to ensure financial support is received by those most vulnerable to climate change. Second, there is interest to understand private sector flows, now that it is recognised that a major source of climate finance can be expected to come from private capital. This will present quite different analytical challenges from the previous focus on public finance. A third emerging theme is on national policy coherence challenges, for example, directed at public investments that may exacerbate climate change through increased carbon emissions.

Such analysis is needed over both the short and medium-term as climate change will remain an issue for public policy into the foreseeable future. This suggests that early investment in national and regional centres of excellence for policy analysis on climate change would provide national governments with the evidence to develop robust climate change policies and advance sustainable development.

For more information:

www.climatefinance-developmenteffectiveness.org/busan-partnership-for-action.html

All comments or queries on this overview should be directed to:

Neil Bird, ODI, n.bird@odi.org.uk

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