

Financing Mitigation in Emerging Economies

FERDI Side event “Financing mitigation: how to get to an equitable global financing regime?”

7 December 2015 – Paris, *Climate Generations Areas*

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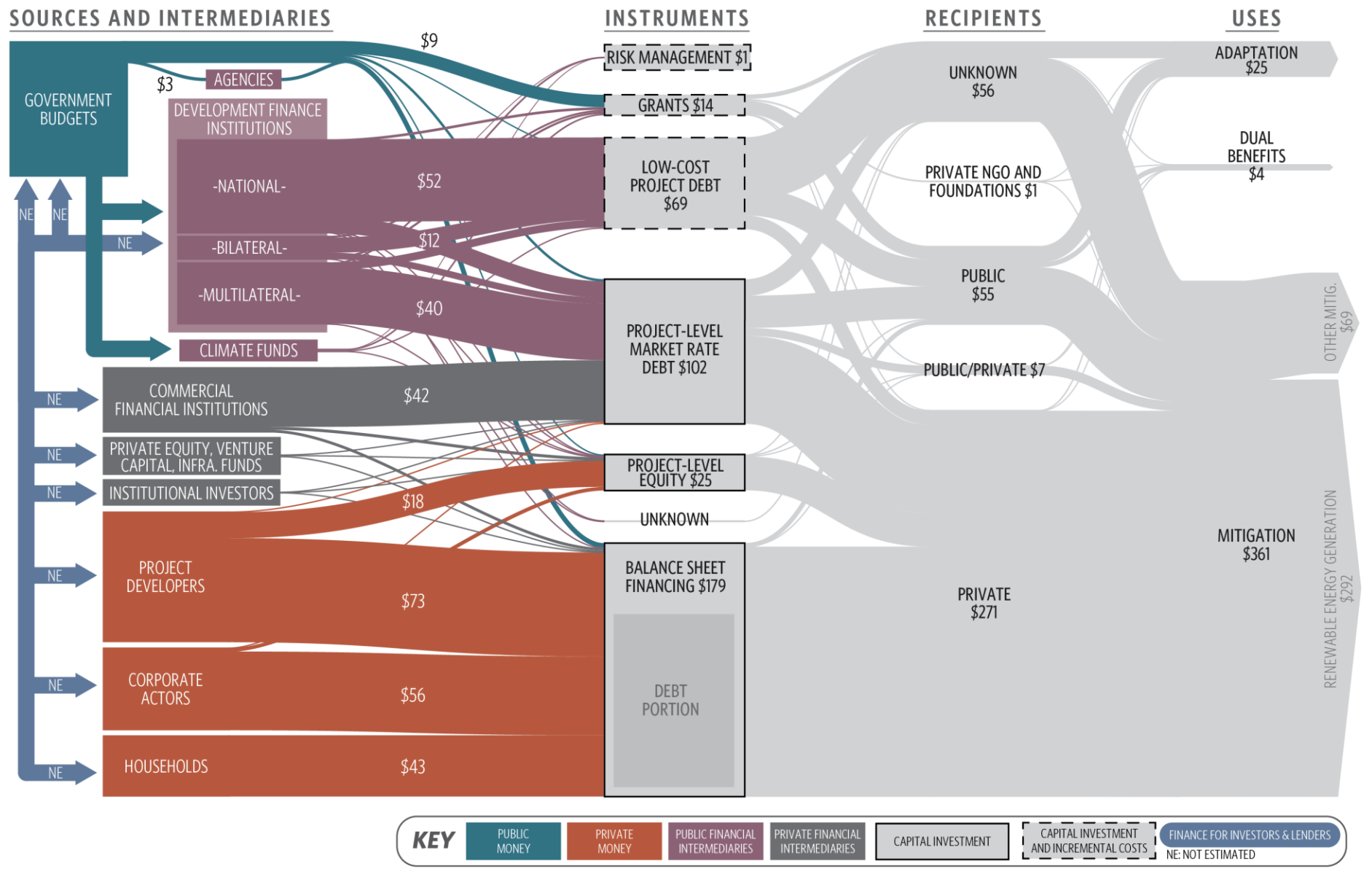
GLOBAL LANDSCAPE OF CLIMATE FINANCE 2015

Landscape of Climate Finance 2015 illustrates climate finance flows along their life cycle for the latest year available, mostly 2014, in USD billions

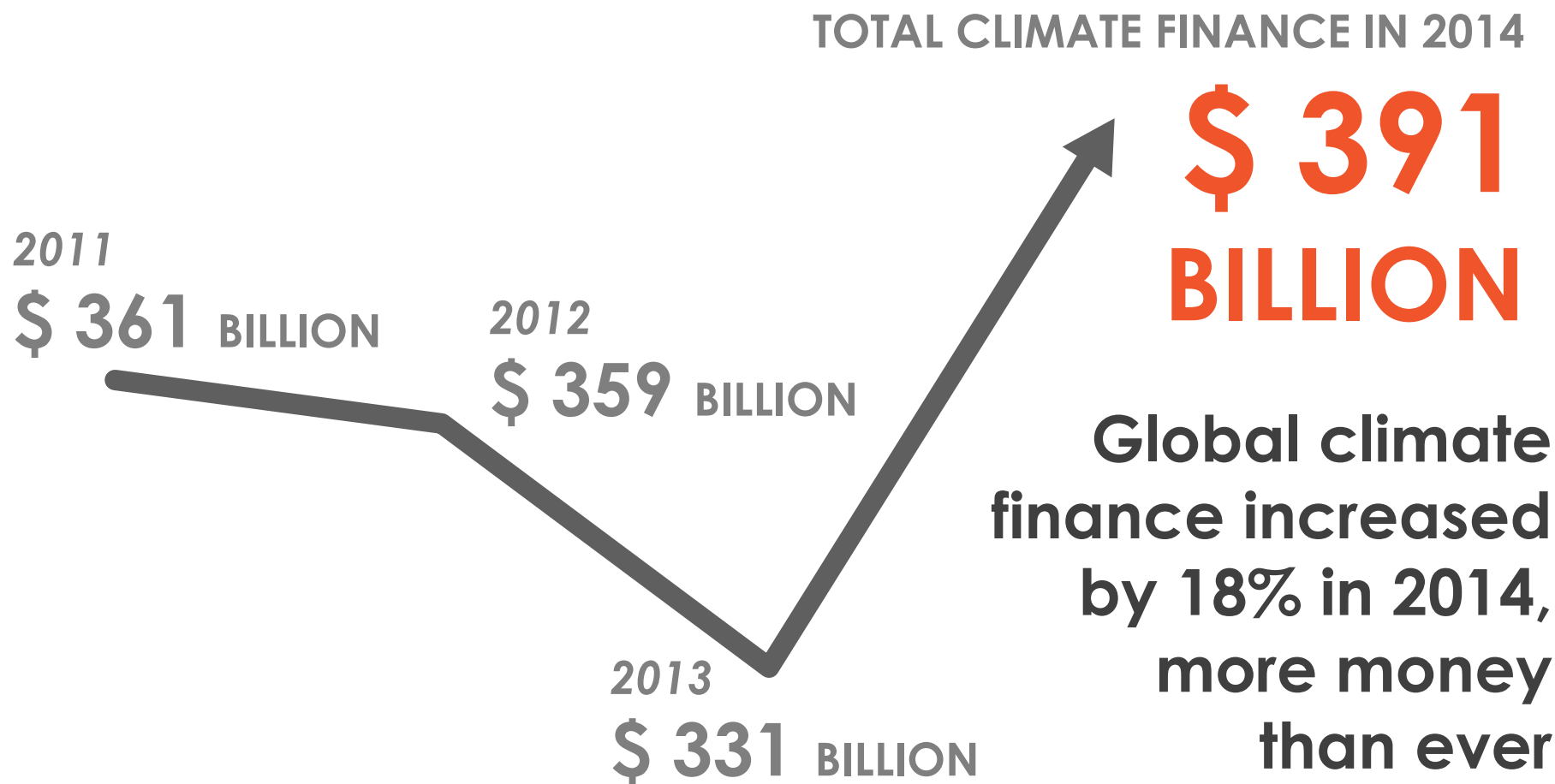
USD 391^{BN} TOTAL



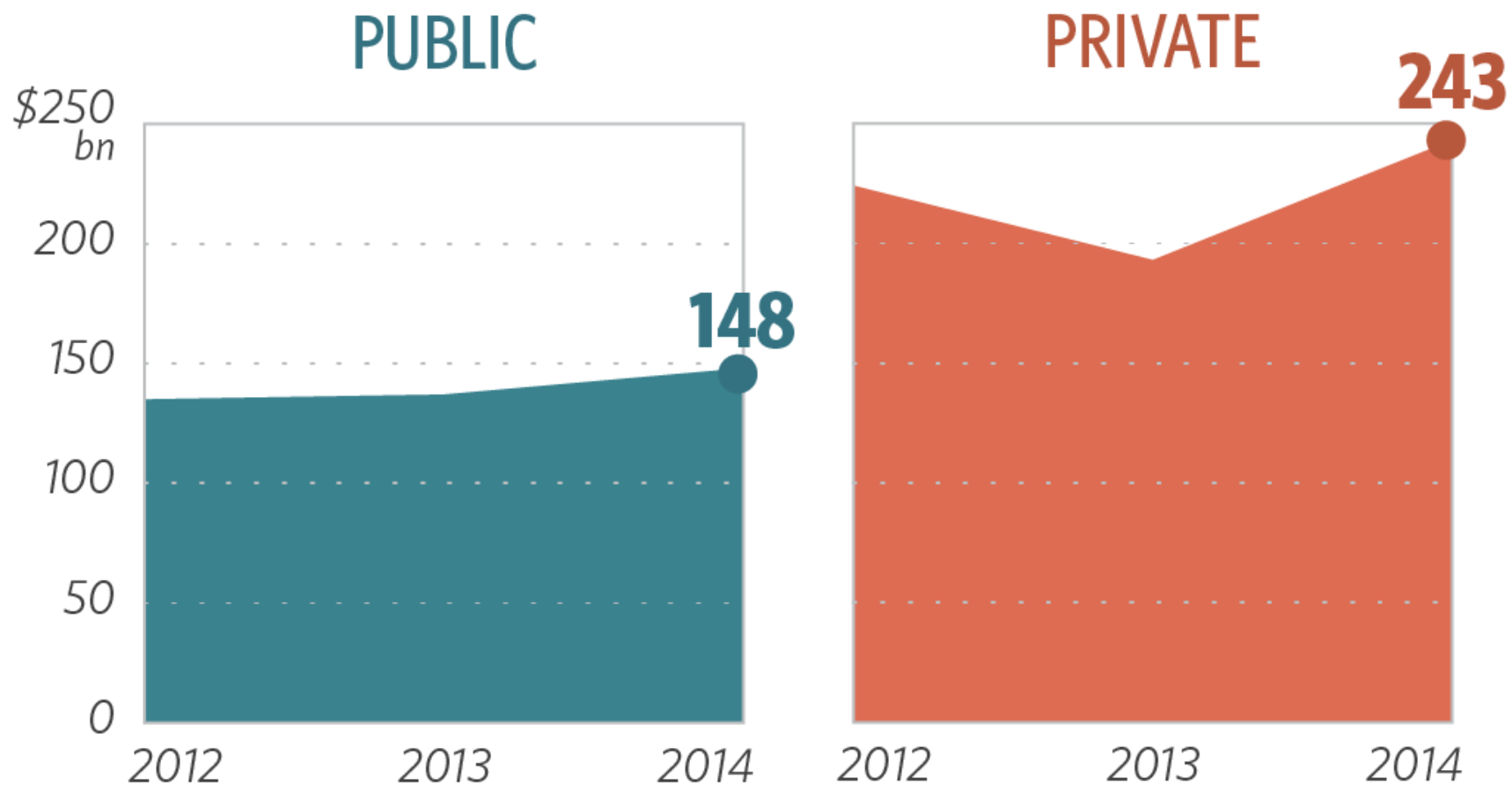
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Total climate finance reached \$391 billion in 2014



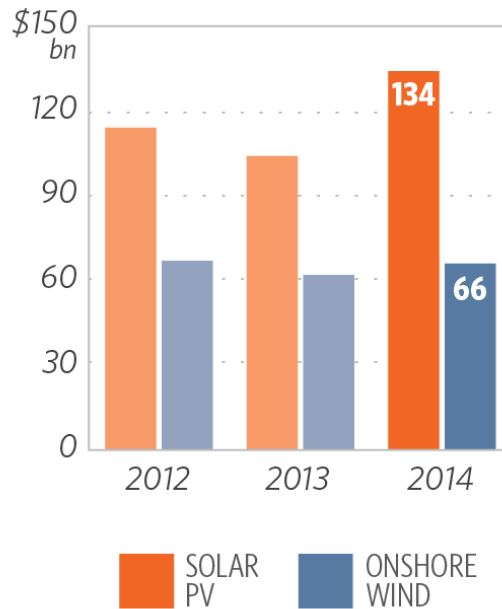
Total public and private finance increased



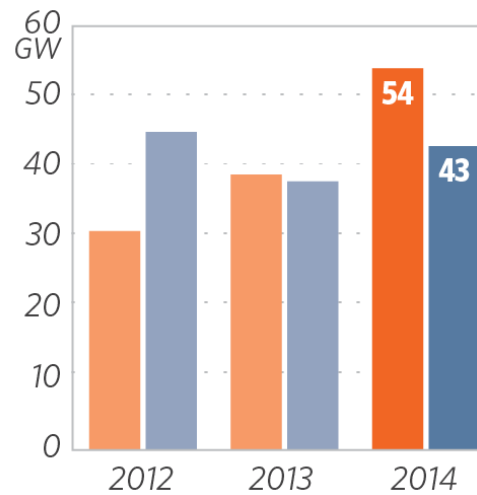
TOTAL **\$391** BILLION

Private investment in onshore wind and solar PV drove climate finance up

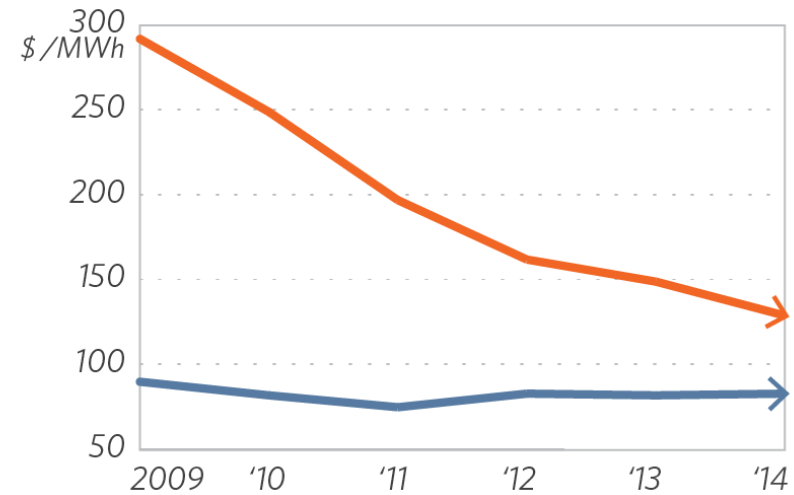
INVESTMENT



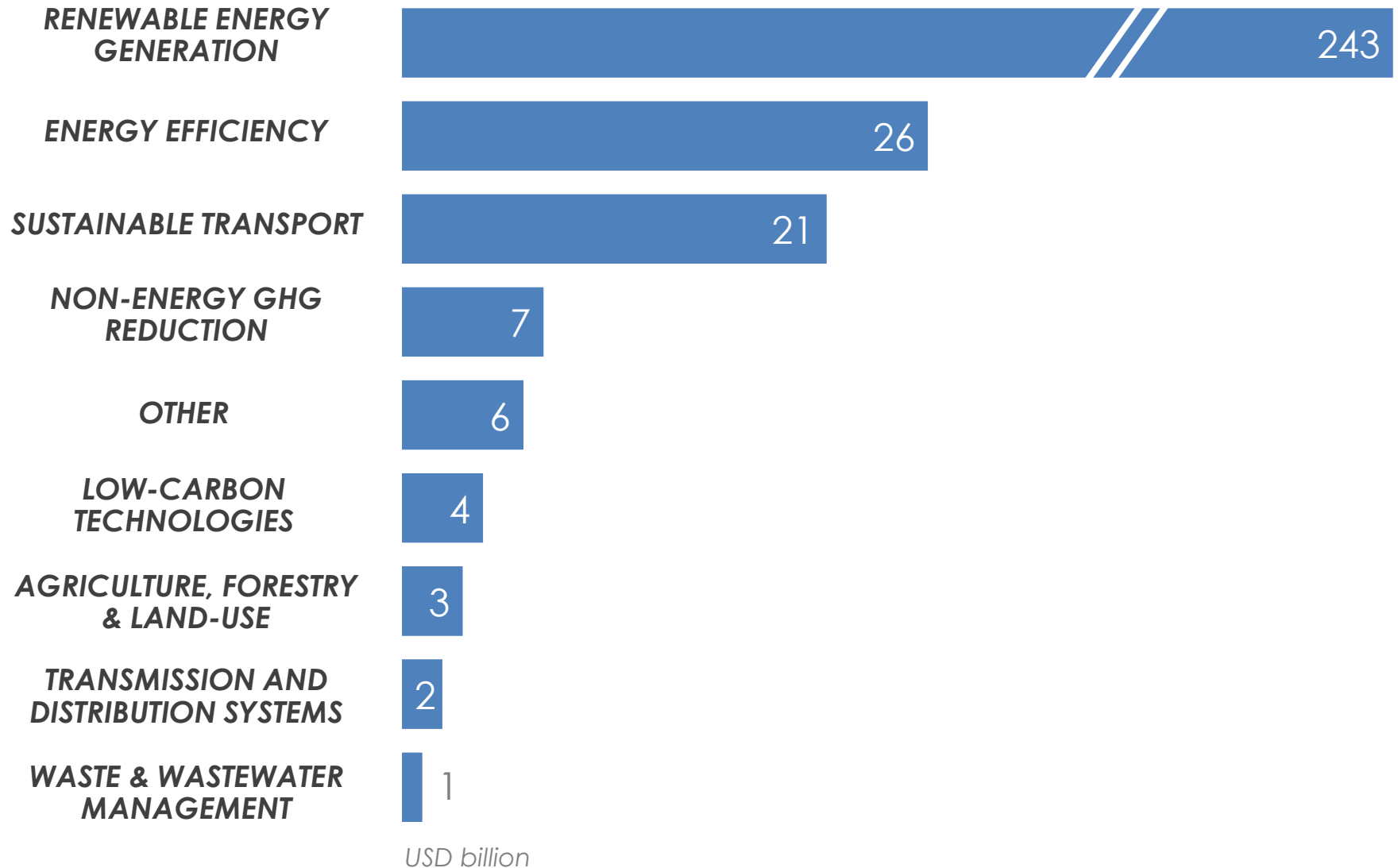
DEPLOYMENT



LEVELIZED COST OF ELECTRICITY



Mitigation accounted for 93% of total climate finance, and focused on three main sectors



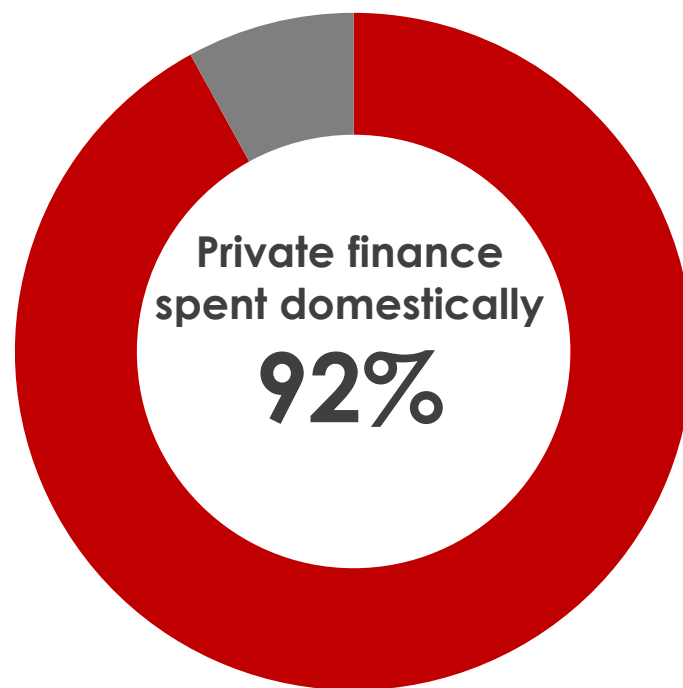
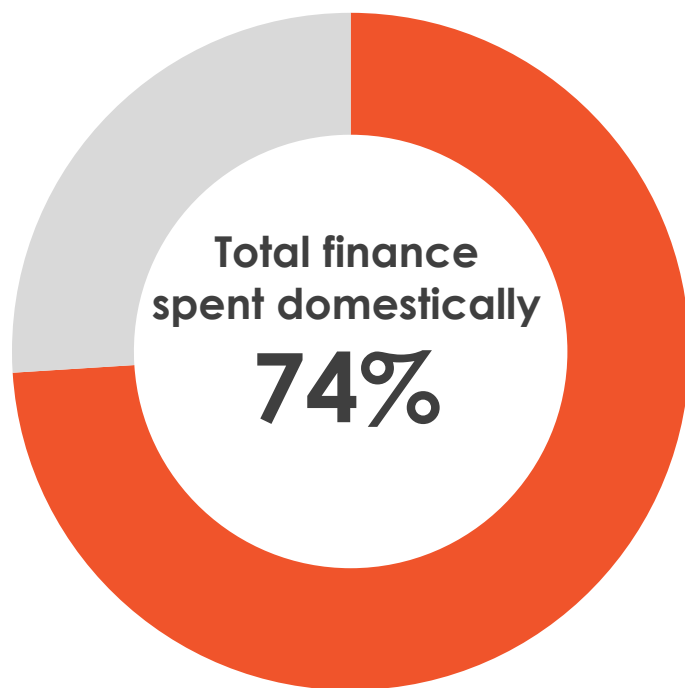
Most **mitigation finance** flowed to East Asia & the Pacific, with China accounting for 22% of the total



in USD billion

The majority of finance was raised and spent in the same country

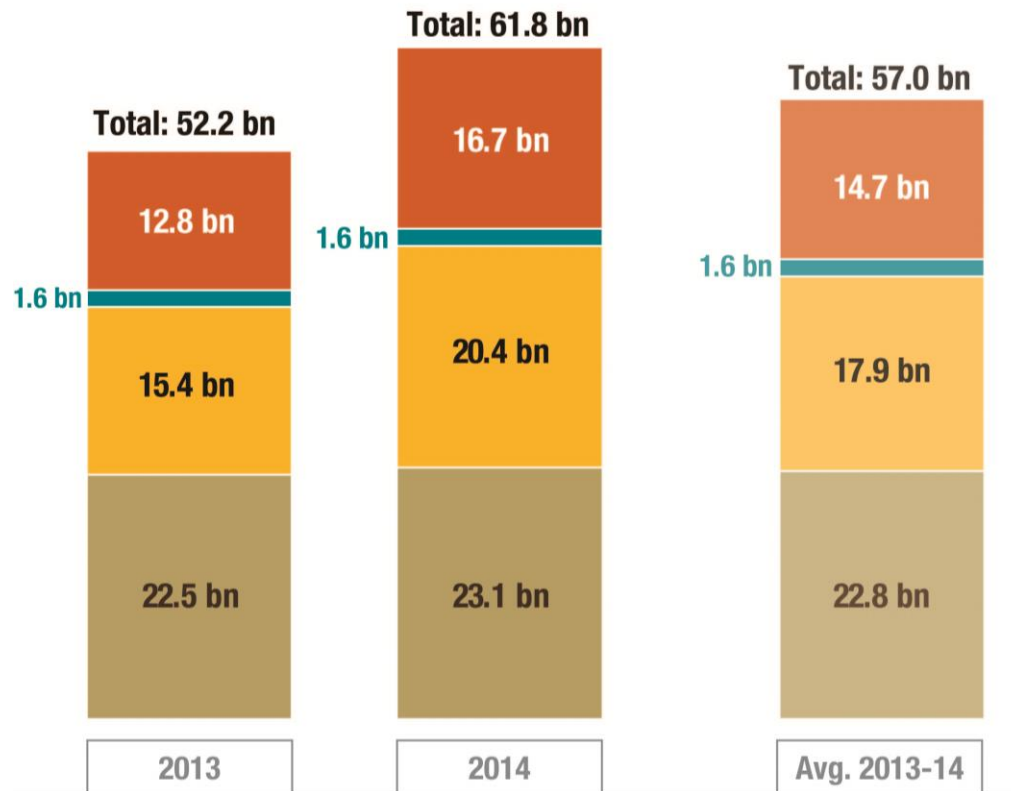
Because domestic investment dominates, it is vital to get national policies right





MOBILISED CLIMATE FINANCE

The aggregate volume of public and private climate finance mobilised by developed countries for developing countries:

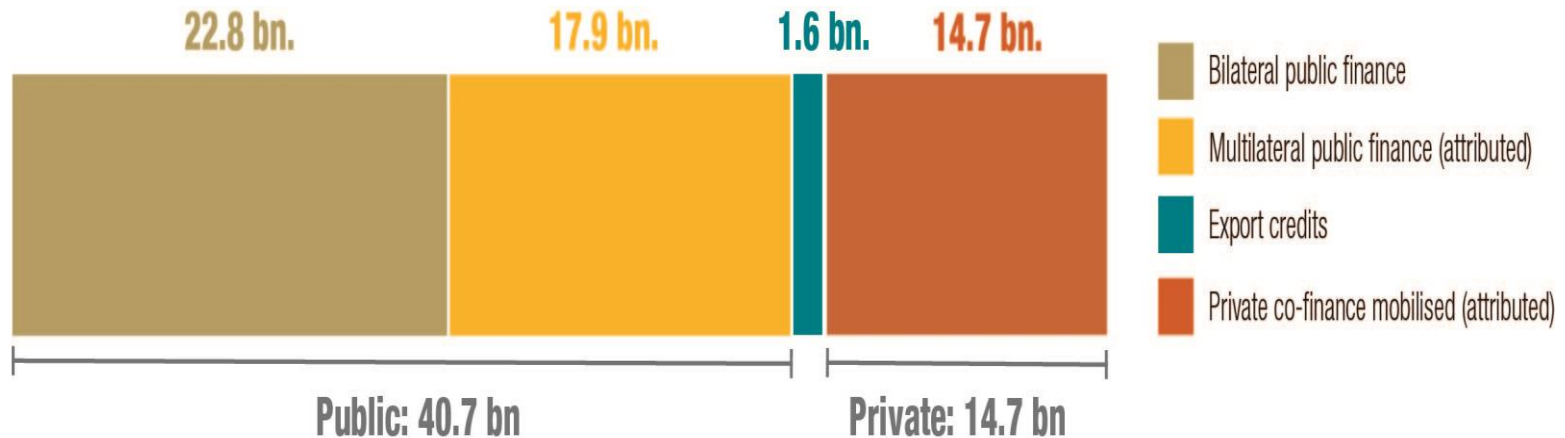


 Bilateral public finance  Multilateral public finance (attributed)  Export credits  Private co-finance mobilised (attributed)



COMPOSITION OF FINANCE...

Mobilised climate finance in 2013-14, USD bn per year



- Over two-thirds of public climate finance is concessional, i.e. ODA grants and loans, whilst less than a third is non-concessional, i.e. loans at market terms.



THE ADAPTATION-MITIGATION BALANCE...



Public Bilateral



Public MDB



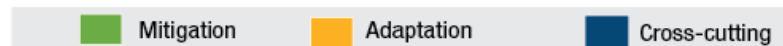
Climate Funds



Export Credits






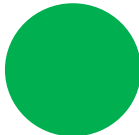


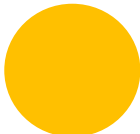

Private






ESTIMATES ARE PRELIMINARY AND PARTIAL...

Climate finance mobilised from developed countries for developing countries (USD billion)

Source		Average 2013-14	Coverage of data	Consistency of data
Public	Bilateral	22.8		
	Multilateral	17.9		
Export Credits		1.6		
Mobilised Private		14.7		
Aggregate		57.0		

Complete

Consistent

Comprehensive

**Broad
Convergence**

Partial

**Partial
convergence**

Very partial

**Variety of
approaches**

Unavailable

Unclear

The way forward

USD 391 billion is not enough....



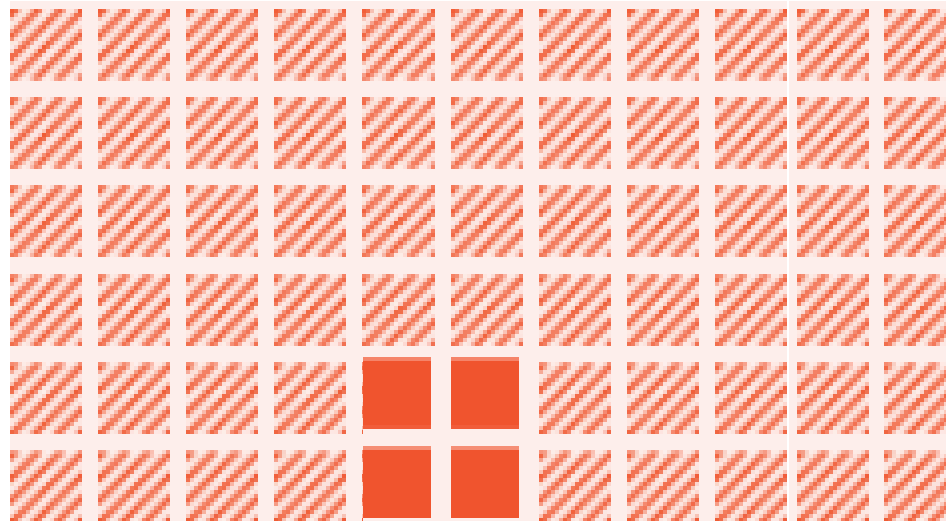
> \$ 1 TRILLION

Invested in 2011 – 2014
in renewable energy and
energy efficiency*

Source: *~~OECD~~ IEA

The way forward

USD 391 billion is not enough....



\$ 16,5 TRILLION

Investment needed 2015 – 2030 to
limit temperature increase to 2°C**

Source: *UNEP

Four opportunities to scale up climate finance

1

Enhance tracking efforts to further improve transparency, comprehensiveness, and consistency in accounting approaches

Get **domestic** investment policy and support frameworks right

2

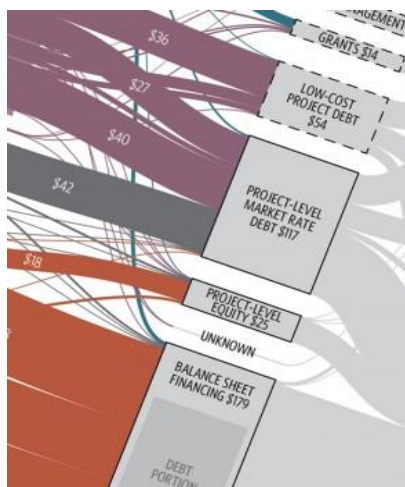
3

Innovate to develop or refine financial instruments that meet **investors' needs**

Further **integrate climate change** considerations **into the financial system**

4

Explore our work further...



DOWNLOAD THE LANDSCAPE 2015 REPORT:

<http://climatepolicyinitiative.org/publications/>



THE LANDSCAPE OF CLIMATE FINANCE

EXPLORE THE INTERACTIVE:

<http://www.climatefinancelandscape.org/>



DOWNLOAD THE OECD-CPI REPORT:

<http://climatepolicyinitiative.org/publications/>

...helping decision makers spend their money wisely



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