

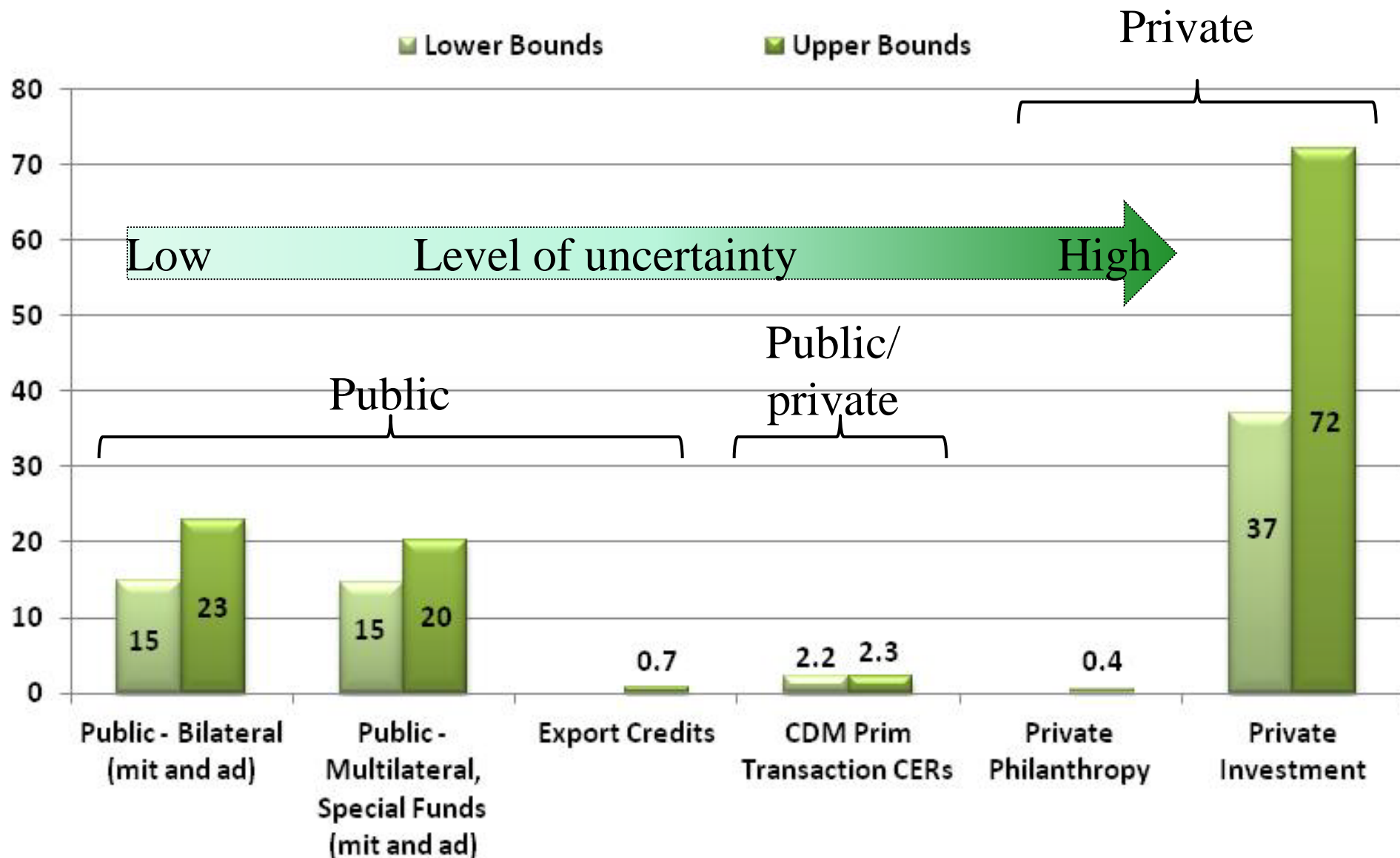


Tracking Climate Finance: What and How?

Christa Clapp, Jane Ellis, Julia Benn, Jan Corfee-Morlot
jane.ellis@oecd.org

OECD side event
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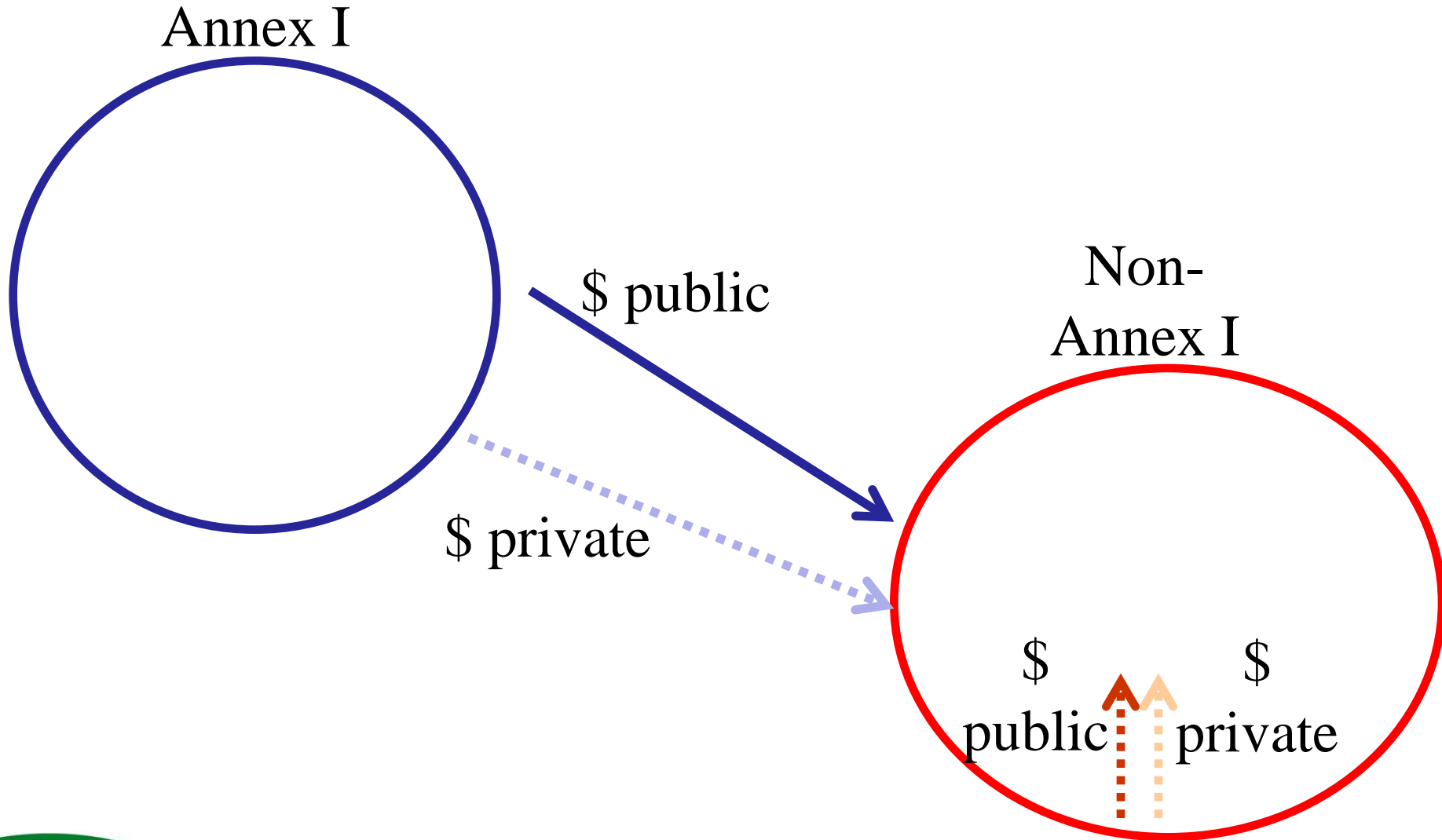
N-S Climate Finance: \$70-120bn p.a.



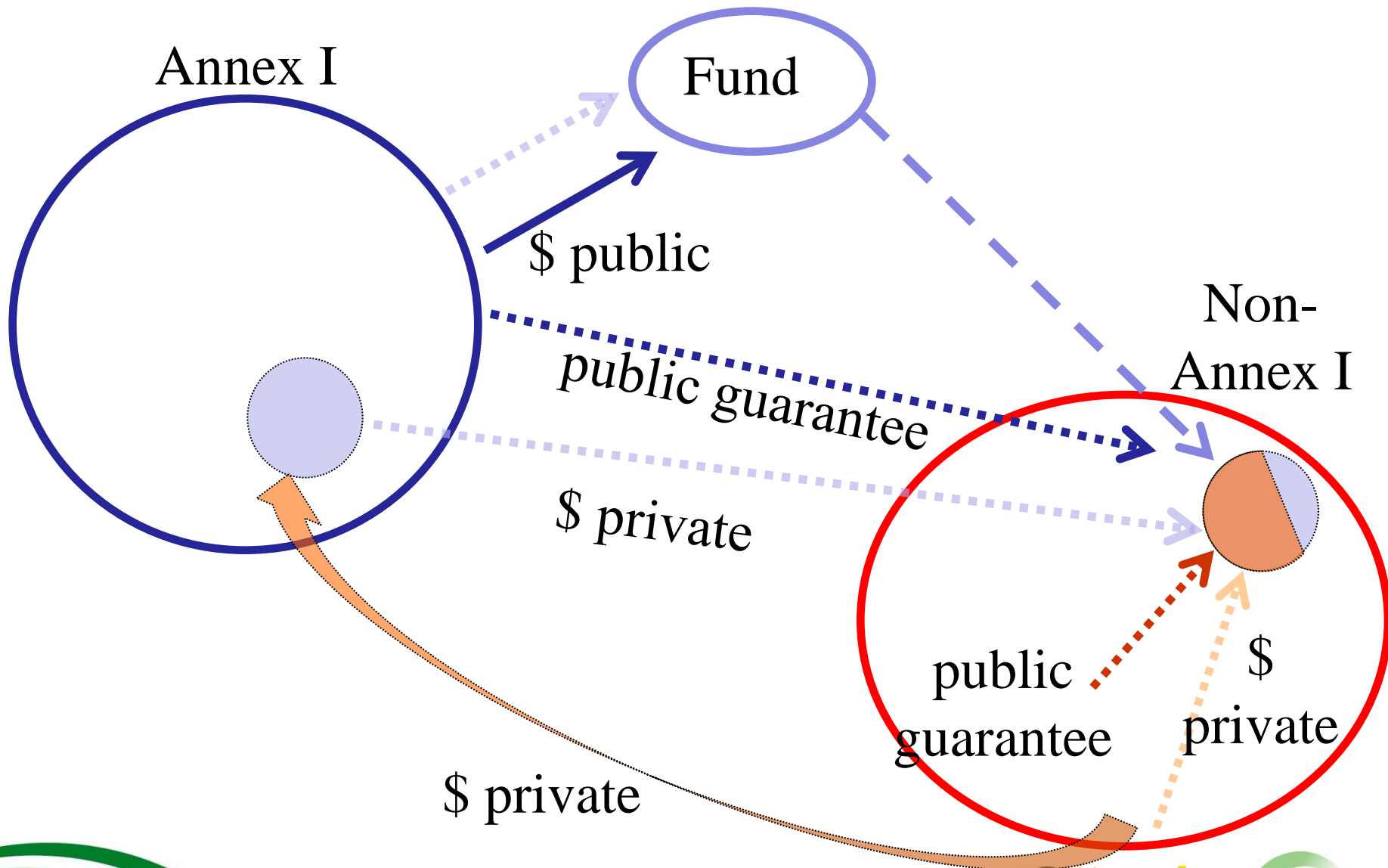
But all numbers are not equal

- International public finance and flows are better understood than is private finance, *but there are still large data gaps and uncertainties*
 1. **MDB activities:** no use of harmonised reporting to date; no comprehensive data across all MDBs or vertical funds (e.g. CIF)
 2. **Non-concessional development finance:** not yet marked for climate change (but agreement to do so amongst DAC bilateral donors, starting 2011)
 3. **Private finance:** definitions, methodologies and data lacking

Financial Flows: Simple Version



Financial Flows: Reality More Complex...



Challenges for Robust Tracking

- Lack of data, disparate and overlapping sources
- Reporting mandates – national vs international
- Intertwined flows
- Level of aggregation
- Double-counting
- Timing of measurement
- Impact of flow on climate
- Country of origin
- Capacity to track flows

Conclusions

- Climate finance can be complicated: many different types of flows, sometimes indirect/intertwined
- Technical improvements needed: data are patchy/uncertain (esp. private sector and MDB)
- Some tracking precedents exist – how to use these without creating perverse incentives?
- Who/how to report private sector flows – what level of uncertainty is acceptable?
- Political questions need answering: what counts towards “climate” and “finance” (as well as “mobilised” and “additional”)?

Next steps

- Encourage internationally-harmonised reporting of multilateral climate finance
- Identify proxies, and methods to calculate private flows (e.g. public finance leverage ratios)
- Examine possible bottom-up decisions on “eligible” flows
- Detailed analysis of private sector flows and associated gaps/overlaps
- Move forward on political questions and definitions

For further information:

www.oecd.org/env/cc/ccxg

www.oecd.org/env/cc/financing

Jane.Ellis@oecd.org (tracking climate finance, MRV)

Christa.Clapp@oecd.org (tracking climate finance, baselines)

Julia.Benn@oecd.org (DAC statistics, development finance)

Jan.Corfee-Morlot@oecd.org (climate finance and investment)