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# An overview of Canada's fast-start financing to date

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## Canada's largest ever contribution to support international efforts to address climate change ...

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- \$1.2 billion in new and additional financing (over three years)
- Focused on three priority areas:
  - **adaptation** by poorest and most vulnerable
  - clean **energy**
  - **forests and agriculture**

# Mitigation: leveraging private sector investment

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- **Private sector clean energy projects:** \$290M Canadian climate program at International Finance Corporation
  - Renewable energy and energy efficiency projects
  - Must demonstrate clear climate benefit and need for concessional funds to be viable
  - Global scope
- **Private sector projects in the Americas:** \$250M Canadian fund at Inter-American Development Bank
  - Clean energy, forests, agriculture and adaptation
  - Latin America and Caribbean

# Other mitigation initiatives

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- **Clean Technology Fund:** \$200M in support of Chile, India and Nigeria investment plans
- **Reducing deforestation:** \$45M to the Forest Carbon Partnership Facility
- **Protecting the Congo Basin:** \$20M for Congo Basin Forest Fund and \$2M for Congo Basin Forest Partnership
- **Support for NAMA development:** \$10M technical assistance
  - Landfills, oil and gas, low-carbon housing
  - Short – lived climate pollutant co-benefits
- **Climate and Clean Air Coalition:** \$3M to the trust fund
  - Canada was the first contributor
  - Others delivering major support as well

# Adaptation

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- **Adaptation research in developing countries: \$37.5M** to Canada's International Development Research Centre
  - Research centres in Africa, Latin America and Asia
  - Tropical disease and climate change with World Health Organization
- **Least Developed Country Fund: \$20M**
- **Climate resilient agriculture: \$19.85M** to the International Fund for Agricultural Development (IFAD)
- **Climate resilience and food security in Africa: \$20M** for Canadian International Development Agency to fund projects in partnership with civil society organizations

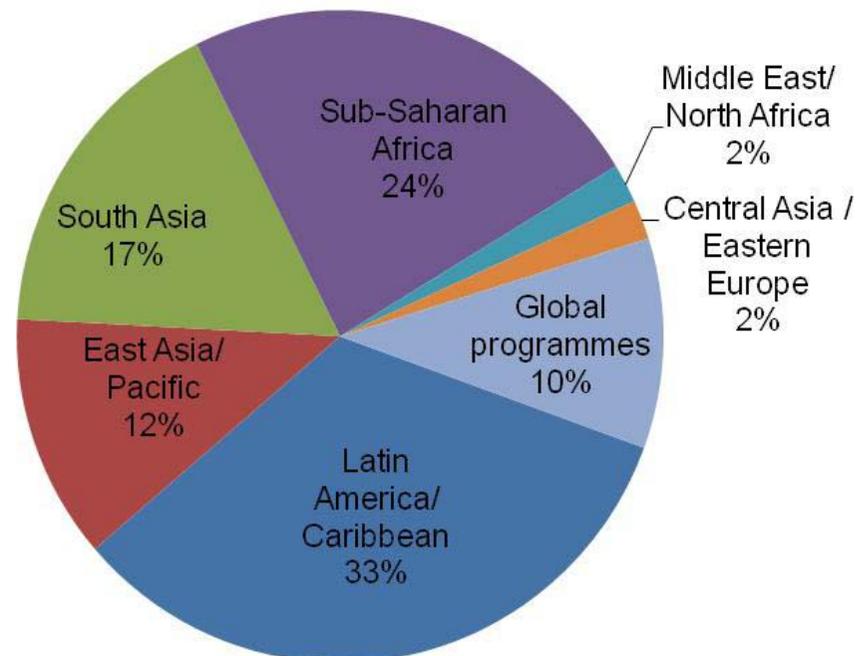
# Expected Geographic Focus

- We are expecting Americas and Sub-Saharan Africa to be largest recipients
- As funds roll out, these shares may evolve

## Total FS\$ by Geographic Region

*Estimated % of total over FY10/11-FY12/13*

Where feasible, allocations to global programmes have been assigned estimated regional shares



# Examples of key lessons and results

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1) *Multilateral financing takes time, but can produce large benefits.*

- Since March 2011, IFC has approved 14 projects for support from the Canadian fund
- Thus far, US\$62 million in direct project funding from the Canadian fund has induced:
  - \$515M from IFC and MDB balance sheets
  - \$205M in private investment
  - 550,000 tons of CO2 equivalent abated per year
- The establishment of the Canadian fund has also encouraged improvements across IFC in climate operations

# Examples of key lessons and results

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*2) Local policies matter: transparent and effective approaches drive financing and results*

- Financing flows more easily to countries whose policy is supportive of inclusive, low-carbon, climate-resilient growth
- Transparent MRV also drives support and investments

*3) Public support key for achieving local adaptation results, but private sector financing options should be explored as well*



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