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 …

- $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

- **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

- **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

- **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

- Sub-Saharan Africa: 24%
- Latin America/Caribbean: 33%
- East Asia/Pacific: 12%
- South Asia: 17%
- Global programmes: 10%
- Middle East/North Africa: 2%
- Central Asia/Eastern Europe: 2%
Examples of key lessons and results

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

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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