Access to Climate Finance in the Arab Region

Regional Consultation on Climate Change for the 2019 Arab Forum on Sustainable Development and High-Level Political Forum

Beirut, 21 March 2019
The UNFCCC Reports USD 681 Billion in Climate-Specific Finance Flows Worldwide in 2016

Notes: Data on public international flows reported by the UNFCCC includes risk capital as well as grant finance. While reporting formats are not standard, many biennial reports submitted by the parties include Official Development Assistance (ODA) as well as Other Official Flows (OOF).

** Data reported by UNFCCC based on a 32 country dataset. While comprehensive data is not available, the UNFCCC estimates USD 157 billion in domestic public expenditure by developing countries and USD 75 billion by developed countries.

Source: Elaborated by ESCWA based on UNFCCC Standing Committee on Finance 2018 Biennial Assessment and Overview of Climate Finance Flows Technical Report

Finance flows through the dedicated financial mechanisms of the UNFCCC (which serve the Paris Agreement) totaled USD 1.6 billion in 2016 (shaded red in chart), including USD 1.2 billion through the GCF that year. In 2018, USD 2.1 billion were committed by the GCF.
Private participation varies by sector.

Global climate finance flows from public and private sources, by sector (2016)

Note: UNFCCC estimated private finance for renewable energy, energy efficiency, and sustainable transport based on available data. Global data on private climate finance in other sectors was not identified by the UNFCCC. Source: Elaborated by ESCWA based on UNFCCC Standing Committee on Finance 2018 Biennial Assessment and Overview of Climate Finance Flows Technical Report
Adaptation has a higher share of grant finance; Multilateral Development Banks provide mostly debt finance.

**Public International Flows from Developed to Developing Countries, 2016**

**Flows by Instrument**
- Bilateral Climate Finance: USD 16.5
- MDB Climate Finance: USD 4.1
- Multilateral Climate Funds: USD 0.3

**Flows by Purpose**
- Bilateral Climate Finance: USD 1.0
- MDB Climate Finance: USD 6.7
- Multilateral Climate Funds: USD 19.3

Note: Data on MDB Finance includes all MDB finance flows to developing countries, not just flows attributable to developed countries. USD 19.3 of the total USD 24.4 billion in flows via MDBs are attributed to developed countries by the UNFCCC.

Bilateral Climate Finance Flows to the Arab region increased nearly threefold from 2015 to 2016, of which over 2 billion was from Japan (mostly OOF).

Public financial support from developed to Arab countries through bilateral, regional and other channels, 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Arab States</th>
<th>Arab and Other</th>
<th>Not Specified</th>
<th>Other</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
<td>$1,756</td>
<td>$736</td>
<td>$426</td>
<td>$23,422</td>
</tr>
<tr>
<td>2016</td>
<td>$4,598</td>
<td>$883</td>
<td>$432</td>
<td>$25,355</td>
</tr>
</tbody>
</table>

USD Millions

Note: Developed Countries refers to countries listed in UNFCCC Annex II.
Note: Data presented in this chart corresponds to public international flows from Annex II parties to the UNFCCC to Arab States, through bilateral, regional, and other channels, based on data reported by Annex II states to the UNFCCC in their third biennial reports. While reporting formats are not standard, many biennial reports submitted by the parties include Official Development Assistance (ODA) as well as Other Official Flows (OOF). Regional flows are not reported to a specific state, or are reported to multiple states. This chart does not include domestic public flows, multilateral flows, or private flows. Of the 33.6 billion in flows reported by the UNFCCC from developed to developing countries through bilateral, regional, and other channels in 2016, a total of USD 31.3 billion are included in the dataset presented above. United States was not available and is not included. Data from the United Kingdom is based on the official PDF submission of the 3rd Biennial Report.
Source: Elaborated by ESCWA based on data downloaded from the UNFCCC Biennial Reports Data Interface
The UNFCCC Reports USD 681 Billion in Climate-Specific Finance Flows Worldwide in 2016

Global Climate Finance flows reported by UNFCCC for 2016

- Private Channels: 455.3 USD Billion
- Public - Other International Finance Flows: 102.6 USD Billion
- Public - Domestic Flows**: 67 USD Billion
- Public flows from Developed Countries (Annex II) to Developing (non-Annex 1) via bilateral, regional, and other channels: 33.6 USD Billion
- Public flows via Multilateral Development Banks from OECD DAC minus Rep. of Korea to OECD DAC eligible countries: 19.7 USD Billion
- Public flows via UNFCCC multilateral climate funds: 1.6 USD Billion
- Public flows via other multilateral climate funds (non UNFCCC): 0.8 USD Billion

Notes: Data on public international flows reported by the UNFCCC includes risk capital as well as grant finance. While reporting formats are not standard, many biennial reports submitted by the parties include Official Development Assistance (ODA) as well as Other Official Flows (OOF).

** Data reported by UNFCCC based on a 32 country dataset and it is not known if data for available countries is complete.

Source: Elaborated by ESCWA based on UNFCCC Standing Committee on Finance 2018 Biennial Assessment and Overview of Climate Finance Flows Technical Report

Finance flows through the dedicated financial mechanisms of the UNFCCC (which serve the Paris Agreement) totaled USD 1.6 billion in 2016 (shaded red in chart), including USD 1.2 billion through the GCF that year. In 2018, USD 2.1 billion were committed by the GCF.
Mitigation accounted for the majority of flows in the region in 2016, although adaptation is more of focus in some countries.
Grants accounted for just 12% of public international climate finance flowing to the region through bilateral, regional, and other channels in 2016.

**Public Finance Support from Developed to Arab States through Bilateral, Regional and Other Channels, 2016: Type of Finance**

Note: Data presented in this chart corresponds to public international flows from Annex II parties to the UNFCCC to Arab States, through bilateral, regional, and other channels, based on data reported by Annex II states to the UNFCCC in their third biennial reports. While reporting formats are not standard, many biennial reports submitted by the parties include Official Development Assistance (ODA) as well as Other Official Flows (OOF). Regional flows are not reported to a specific state, or are reported to multiple states. This chart does not include domestic public flows, multilateral flows, or private flows. Of the 33.6 billion in flows reported by the UNFCCC from developed to developing countries through bilateral, regional, and other channels in 2016, a total of USD 31.3 billion are included in the dataset presented above. United States was not available and is not included. Data from the United Kingdom is based on the official PDF submission of the 3rd Biennial Report.

Source: Elaborated by ESCWA based on data downloaded from the UNFCCC Biennial Reports Data Interface.
Energy, transport and built infrastructure received 73.2% of all bilateral funding in the region in 2016 (USD 3.4 billion out of 4.6 billion total).
Thank you