

# From Global to Domestic *Landscapes of* Climate and Green Finance

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CLIMATE  
POLICY  
INITIATIVE

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EUROPE  
INDIA  
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[climatepolicyinitiative.org](http://climatepolicyinitiative.org)

# GLOBAL CLIMATE FINANCE IN 2013/2014

Global climate finance flows along their life cycle in 2013 and 2014, average values in USD billions

# USD 367 BN TOTAL

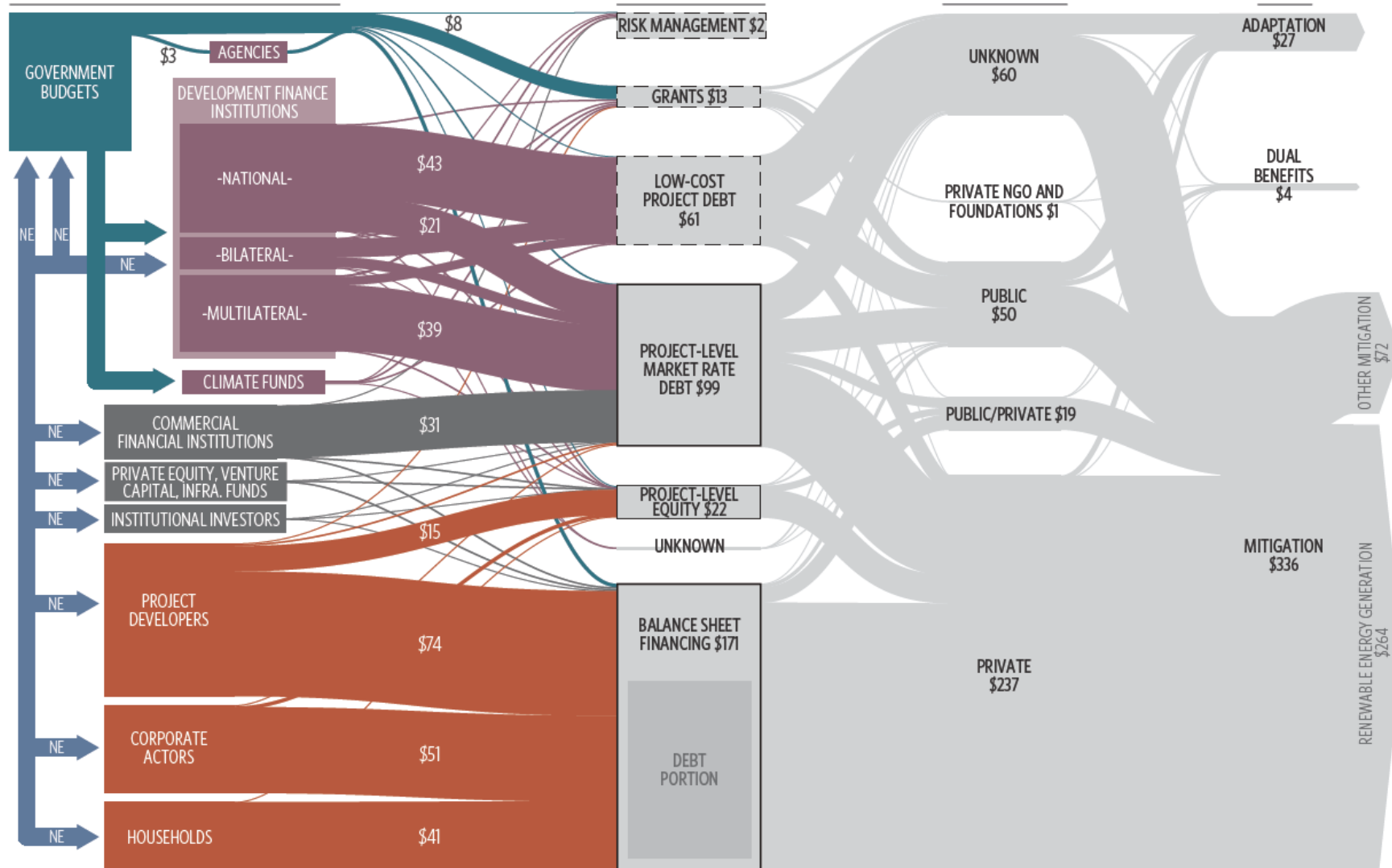


## SOURCES AND INTERMEDIARIES

## INSTRUMENTS

## RECIPIENTS

## USES



**KEY**

- PUBLIC MONEY** (Teal)
- PRIVATE MONEY** (Orange)
- PUBLIC FINANCIAL INTERMEDIARIES** (Purple)
- PRIVATE FINANCIAL INTERMEDIARIES** (Grey)
- CAPITAL INVESTMENT** (Light Grey)
- CAPITAL INVESTMENT AND INCREMENTAL COSTS** (Lightest Grey)
- FINANCE FOR INVESTORS & LEENDERS** (Darkest Grey)

NE: NOT ESTIMATED

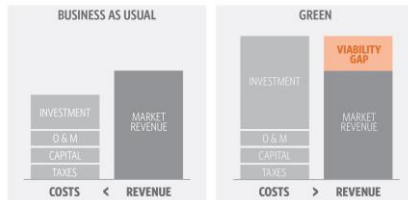
## The *Landscape* represents a tool to inform investment decision-making

- **Diagnostic tool** to understand what action is taking place and where, identify gaps, blockages or opportunities
- **Planning tool** to inform the budgeting process and provide a basis for better coordination amongst partners
- **Monitoring and accountability tool** to measure progress, learn and report back

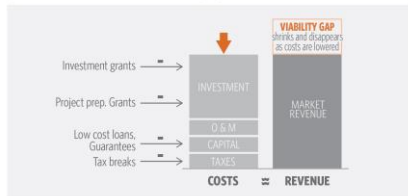
# Other tools to explore financial viability gaps and public incentive needs

Viability gaps arise where costs of an activity are greater than available revenues

Public and private finance can help tackle the viability gap by:



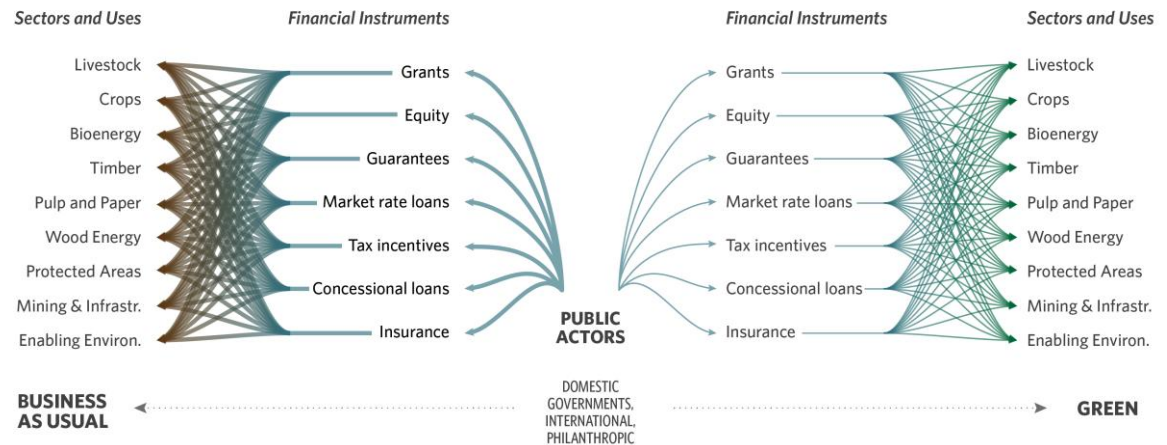
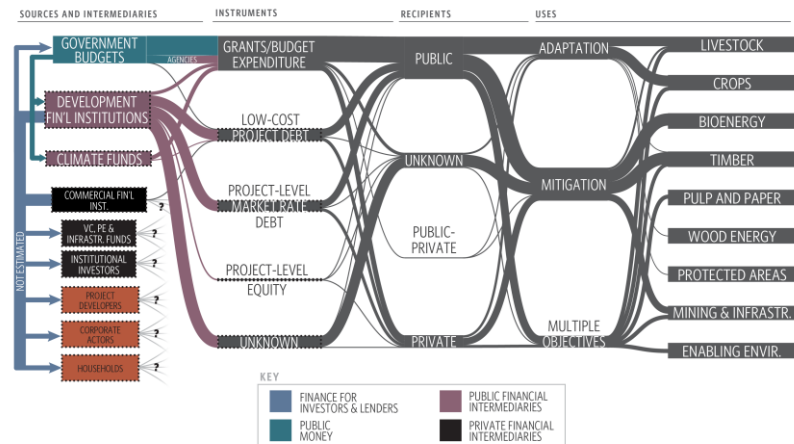
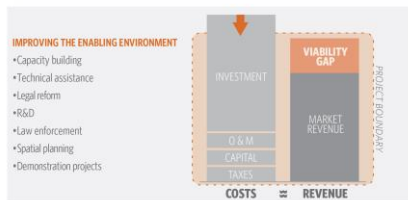
## 1. Reducing costs



## 2. Increasing / creating revenues



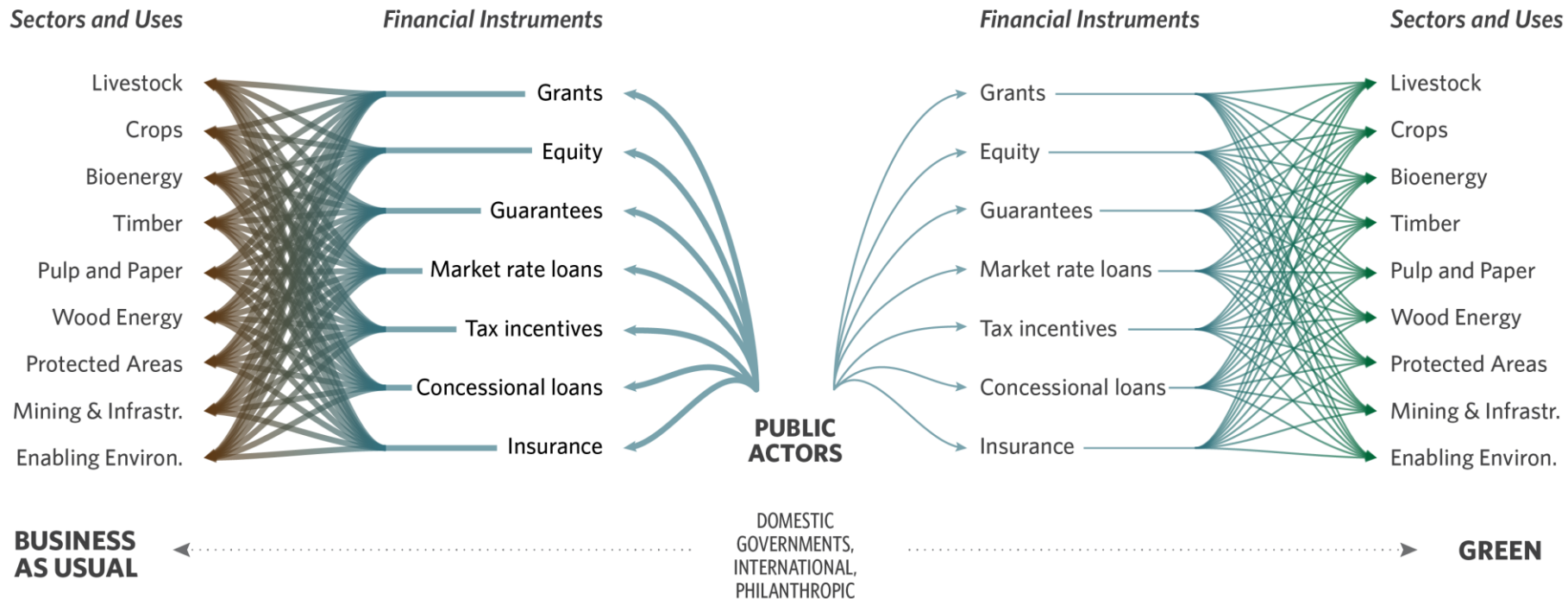
## 3. Improving the investment climate - tackling risk, return and information barriers



<http://climatepolicyinitiative.org/publication/three-tools-to-unlock-finance-for-land-use-mitigation-and-adaptation/>

# Public finance mapping tool

## Tool 3: Public Finance Mapping Tool

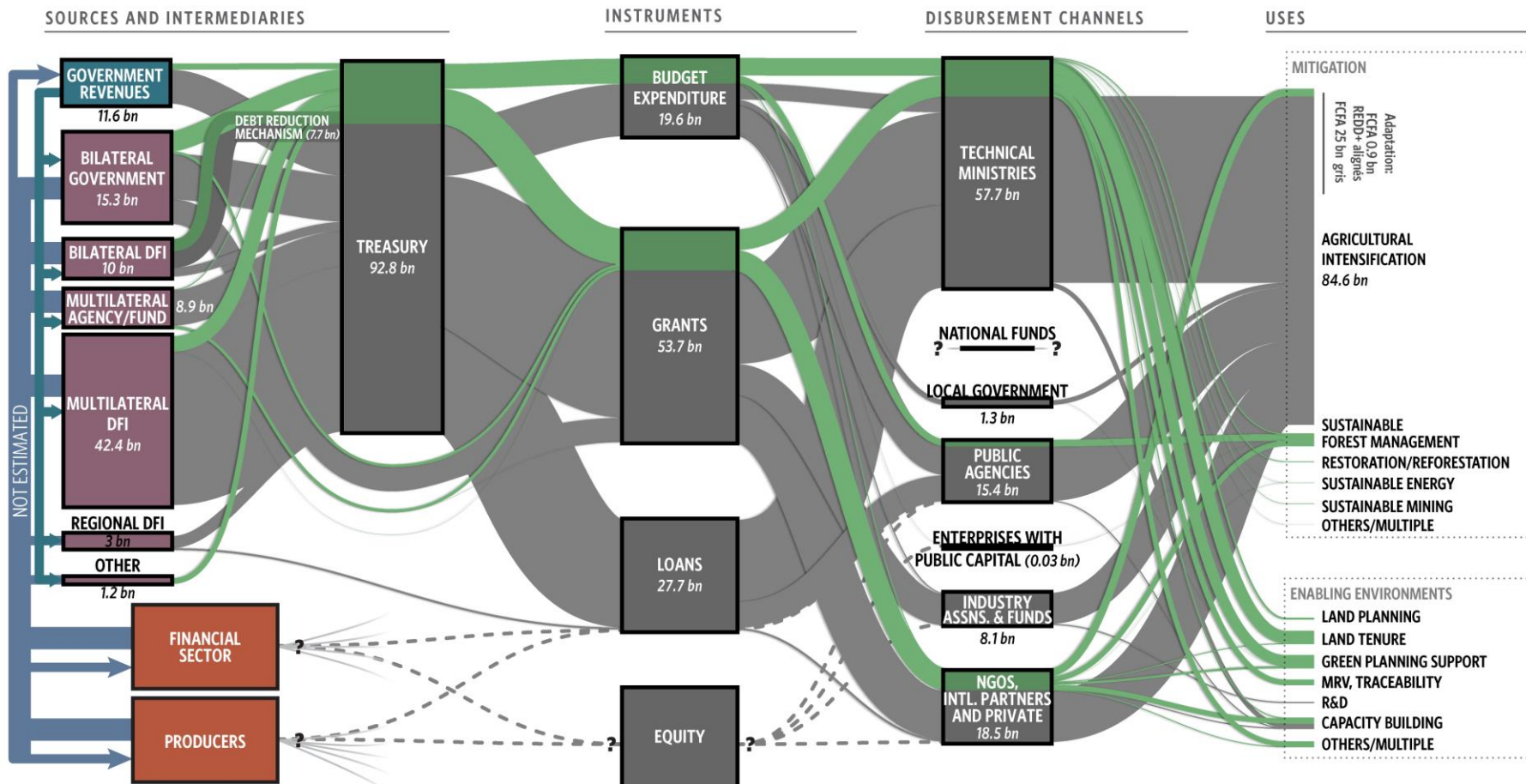


## Objectives of the Côte d'Ivoire Study

- Understand the nature and volume of public finance, domestic and international, contributing to reducing deforestation and forest degradation in Côte d'Ivoire.
- Create a baseline (2015) against which to measure future investments
- Identify needs and opportunities to raise finance from new sources and improve the effectiveness of existing spending

# THE LANDSCAPE OF REDD+ ALIGNED FINANCE IN CÔTE D'IVOIRE IN 2015

**FCFA 16.8** BN REDD+ ALIGNED  
 FCFA 84.2 BN TOTAL GREY FLOWS



**REDD+**  
CÔTE D'IVOIRE

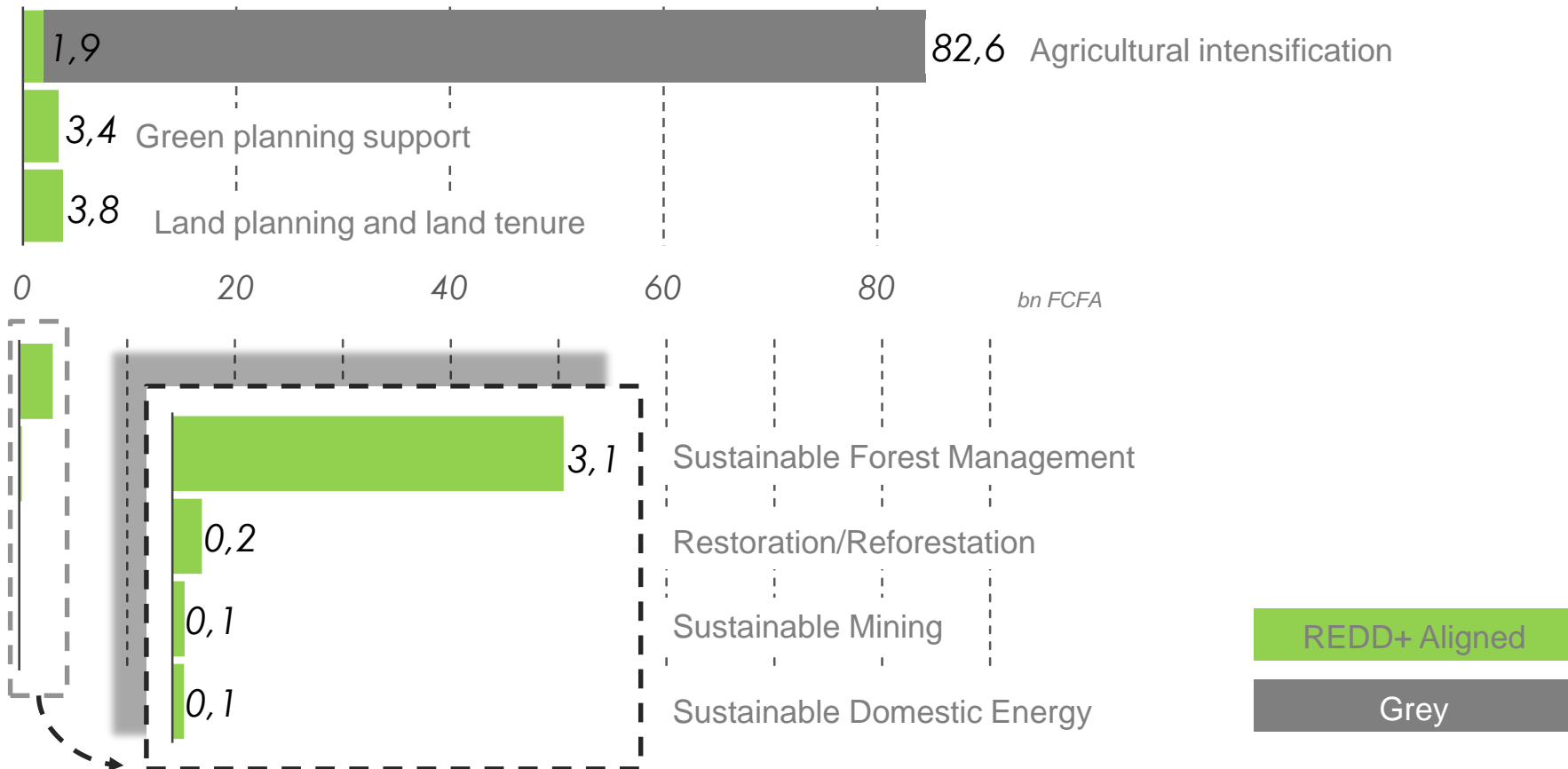
PROGRAMME  
**ONU-REDD**



**KEY**

<b>PUBLIC MONEY</b>	<b>PRIVATE MONEY</b>	<b>? UNKNOWN</b>	<b>REDD+ ALIGNED FLOWS</b>	REDD+ aligned activities are those that clearly contribute to reducing deforestation drivers and to enhancing and protecting forest cover.
PUBLIC FINANCIAL INTERMEDIARIES	UPSTREAM SOURCES OF FINANCE AND TRANSFERS BETWEEN ACTORS		GREY FLOWS	Grey activities are those that could contribute to maintaining and enhancing Côte d'Ivoire's forests if certain enabling conditions were in place.

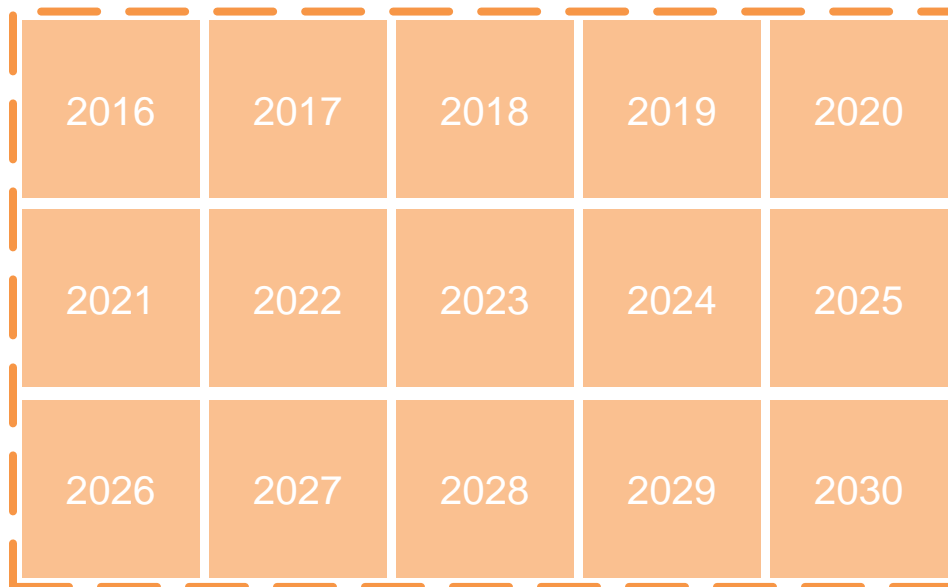
# Forests need to become a national planning priority





# More than FCFA 173 bn per year needed to meet Côte d'Ivoire's 2030 20% forest cover objective alone

**Minimum amount necessary** to achieve the 20% forest cover objective\*



**REDD+ aligned investment in 2015**

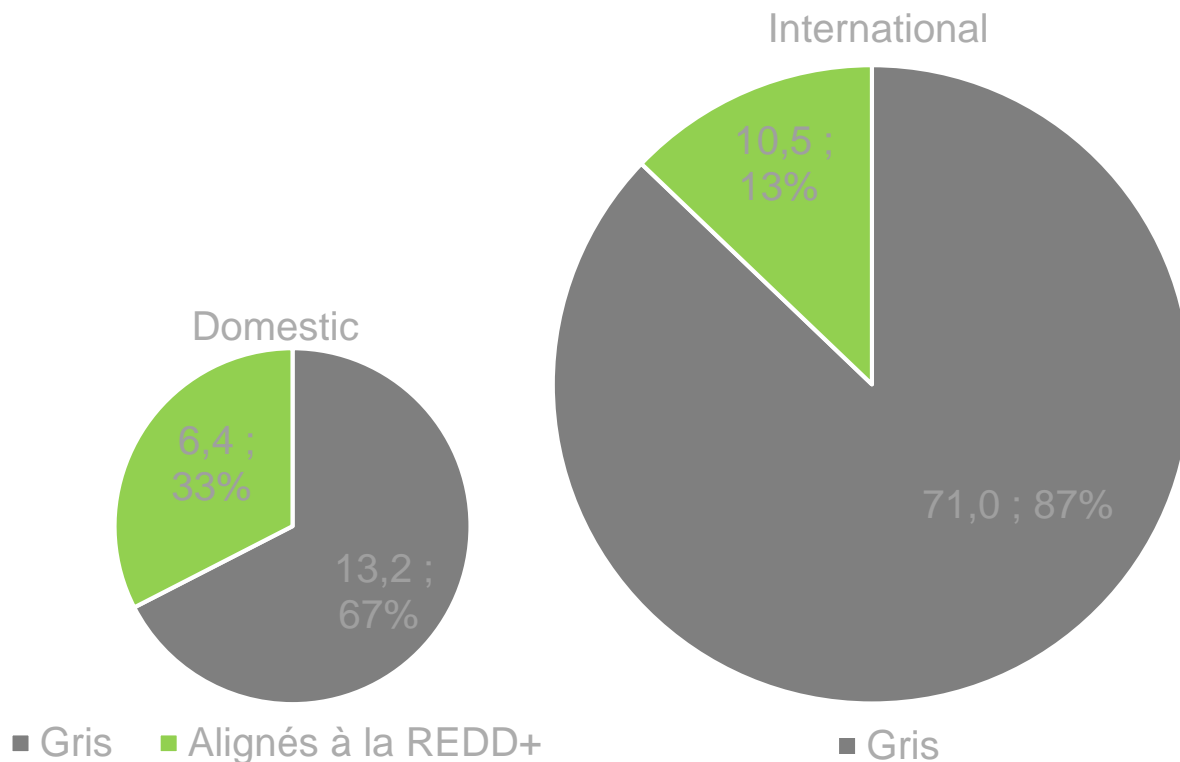
- **FCFA 3.8 bn** for reforestation and sustainable forest management

**FCFA 173 bn each year through 2030**

\*Preliminary estimate: includes costs for planting and plantation maintenance only. Does not include administrative or indirect costs, such as security personnel, identifying and negotiating alternative livelihoods for current forest users and establishing new protected areas.

# Côte d'Ivoire and its partners have an opportunity to green significant shares of existing finance

Greening existing agricultural finance from domestic, and especially international sources, could increase REDD+ aligned finance by over five times up to FCFA 101 billion (USD 168.8 million).



# Opportunities exist to raise finance from new sources and improve the effectiveness of existing spending

- **Evaluate existing taxation of activities that drive deforestation**, in particular in the agricultural sector and filieres revenue raising and spending
- **Earmark existing tax revenue**
- Evaluate impact of existing reforestation taxes on timber producers
- **Incentivize the private sector and smallholders** to support forest restoration
- **Consider creating a new national REDD+ fund** which could help coordinate future resources and address investment gaps
- **Learn lessons from existing funding instruments** in Cote D'Ivoire, to create a trustworthy and effective fund
- **Incentivize local governments to conserve natural resources**
- **Increase resources available** to them to do so

**Thank you!**