International Climate Fund and Capacity Building

UK Department of Energy and Climate Change

Abu Zaki, May 2016
The International Climate Fund

The purpose of the ICF...

...support international poverty reduction by helping developing countries to adapt to climate change, take up low carbon development and tackle deforestation

The International Climate Fund is £3.87bn between 2011 and 2016

In September 2015, the Prime Minister announced that the UK will significantly increase our climate finance over the next five years, providing at least £5.8bn ($9bn) by 2020
It supports international poverty reduction by helping developing countries to adapt to climate change, take up low carbon development and tackle deforestation.

£3.87bn from 2011-2016
£5.8bn from 2016-2021

How does the focus of the spending Departments differ?

DFID (£2.4bn): poorest countries, on adaptation, energy access and forestry.

DECC (£1.3bn): mitigation in energy & forestry sectors, mainly in countries with large or rapidly rising emissions.

Defra (£140m): forestry & biodiversity.

What sorts of projects does DECC ICF support?

Multilateral climate funds

Private finance vehicles

Innovative approaches at scale

Technical cooperation
DECC ICF Priorities

Drive private sector investment in low carbon

The levels of investment needed to deliver a two degree world cannot come from public funds alone. **Mobilising the markets and large scale private sector investment** is vital if we’re going to avoid dangerous climate change.

- IFC Catalyst Fund
- Global Innovation Lab
- Asia Climate Partners
- Clean Technology Fund
- Private Sector Programme
- Global Climate Partnership Facility
- Get FIT
- Green Africa Power

Build capacity

Supporting action on climate change by **strengthening the knowledge, skills and experience of countries** to make the low carbon transition. Creating the right enabling environment supports countries to deliver ambitious climate plans.

- Carbon Capture and Storage Capacity Building
- The Partnership for Market Readiness
- 2050 Calculator
- UPSCALE

Protect forests

Reducing greenhouse gas emissions by **protecting forests and promoting sustainable land-use**. This is vital for keeping global temperature rise below 2 degrees, and protects livelihoods and ecosystems.

- The BioCarbon Fund
- Colombia Silvopastoral Systems
- Forest Carbon Partnership Fund
- REDD Early Movers

Build effective climate funds

Working with partners to **create international funds that meet the needs of developing countries**. This means they can access support in a fair and straightforward way for projects that really help to tackle climate change.

- Nationally Appropriate Mitigation Action Facility
- Clean Technology Fund
- Private Sector Programme
- 2050 Calculator
- UPSCALE
- Climate Investment Funds
- Green Climate Fund
- Green Africa Power
- IFC Catalyst Fund
- Global Innovation Lab
- Asia Climate Partners
- Clean Technology Fund
- Private Sector Programme
- Global Climate Partnership Facility
- Get FIT
- Green Africa Power
We are building on strong foundations

INTERNATIONAL CLIMATE FUND:
Impact on the ground

**Achieved results**
Results reported to the ICF secretariat by spring 2015:

- 2.6 million people with improved access to clean energy
- 39 thousand jobs created
- 2.3 million tonnes of Greenhouse Gas emissions avoided (CO2e)
- 15 million people supported to cope with the effects of climate change
- £1.2 billion pounds of public finance mobilised for climate change purposes
Capacity Building Programmes
Capacity Building Programmes

- African Risk Capacity (ARC)
- Climate Development & Knowledge Network (CDKN)
- NAMA Facility
- Support to grassroots initiatives, policy change and institutional capacity to help the most vulnerable to climate change improve their resilience to disasters
- FCO Prosperity Fund
- International Forestry Knowledge (KnowFor)
- Climate Development for Africa
- Climate Proofing Growth and Development in South Asia
- International 2050 Pathways partnerships
- Promoting energy efficiency amongst Indonesia small and medium enterprises
- Creation of the National Fund for Climate & Environment (FONERWA)
- Nepal Climate Change Support Programme
- Vietnam Climate Innovation Centre
NAMA Facility
The NAMA Facility was launched by the UK (DECC) and Germany (BMUB) in December 2012.

DECC committed £75 million to the NAMA Facility with BMUB contributing an equal amount. The Danish Government (10m Euros) and EC (15m Euros) joined for the third call.

The Facility is funding the most transformational parts of NAMA plans.

Provides finance for technical assistance alongside funding for implementation of low carbon technologies and approaches.
NAMA Projects

- Mexico Sustainable Housing
- Chilean Self-supply Renewable Energy
- Colombia Transit-oriented Development
- Costa Rica Low Carbon Coffee
- Indonesia Sustainable Urban Transport Program

- Burkina Faso Biomass
- Peru Sustainable Urban Transport
- Tajikistan Forestry
- Thailand Refrigeration and Air Conditioning

- Waste project in China
- Refrigeration project in Colombia
- Mass Rapid Transit project in Kenya
2050 Calculator
International Climate Fund project (ICF) has supported 10 developing countries to build their own 2050 Calculator: an interactive, online and open-source model of energy and emissions pioneered by the UK.

Project budget: £1.8m

Colombia’s Calculator: www.calculadoracolombia2050.com
Background: UK 2050 Calculator

http://2050-calculator-tool.decc.gov.uk
• 2050 Calculator has helped a number of countries formulate their INDCs and national policies.

• Three countries have made simplified “game” versions (South Africa, Colombia, Mexico). The **South African one is being used in schools** to improve understanding of energy and climate issues.
CCS Capacity Building Programme
In April 2012, UK Government announced £60m from the ICF to support the development of CCS in emerging economies

- £35m to ADB CCS Trust Fund and £25m to World Bank CCS Trust Fund

- Total commitment from donors to CCS Trust Funds are approx. $60m to the World Bank and approx. $70m to the ADB

- ADB believes $5 billion is needed to stimulate and incentivise CCS demonstration in emerging economies
Our main objective is:

- Support developing countries to develop both the technical and institutional knowledge necessary to enable the deployment of CCS technologies.

We are doing this through:

- Establish policy frameworks and incentive structures to support CCS demonstration in emerging economies.
- Create political support for full scale demonstration projects.
- Develop partnerships with host governments to increase collaboration on development of CCS.

MoU between the UK Carbon Capture and Storage Research Centre and Guangdong Low-carbon Technology and Industry Research Centre [witnessed by Greg Barker]
CCS Projects

China

Signing of MoU between Pertamina, JICA and ADB (June 2013)

Indonesia

Mexico

Poza Rica (gas)

South Africa
Climate and Development Knowledge Network (CDKN)
...aims to help decision-makers in developing countries design and deliver climate compatible development.

Four strategic themes:

- Climate compatible development strategies and plans
- Improving developing countries’ access to climate finance
- Strengthening resilience through climate-related disaster risk management
- Supporting climate negotiators from the least developed and most vulnerable countries

CDKN is a £120 million programme – UK contributing over £20 million.
UPSCALE Programme
The UK is developing a **new technical assistance (TA) programme**: UPSCALE – UK Programme to Support Capacity for Low-carbon Energy.

Aims to achieve a transformational change by developing and implementing projects that lead to

- an improved investment climate
- development of bankable renewable energy (RE) and energy efficiency (EE) projects
- improved overall flows of climate finance.

UK is providing up to £10 million to contribute to the Asian Development Bank’s existing multi-donor Clean Energy Fund (CEF)

Specifically for RE and EE focused technical assistance projects.
Thank you

Any questions?