Module 5
Introduction to Climate Change Finance
Learning Objectives

1. Describe the overall landscape of climate change finance sources
2. Identify main elements of national planning for climate finance

By the end of the module participants will be able to:

3. Define key elements of the international climate change finance architecture
4. Discuss challenges and opportunities for developing countries in terms of accessing and managing climate finance
This section provides some background information on the issue of climate finance. It first discusses the meaning of the term climate finance which can be interpreted in different ways, and provides an overview of different climate finance streams (national/international/public/private). It then looks at estimates of current climate investments in a more narrow sense, before looking at bigger investments needed for low-emission and climate-resilient development, taking the energy sector as an example.
There is no standard definition of climate finance. In fact, there are many differing views on what type of funding constitutes climate finance. In its broadest interpretation, climate finance refers to the flow of funds towards activities that reduce greenhouse gas emissions or help society adapt to climate change impacts. However, the term is most frequently used in the context of international climate change negotiations, where climate finance — or international climate finance — is used to describe financial flows from developed to developing countries for climate change mitigation/adaptation activities. In the context of political negotiations climate finance has been defined even more narrowly as “new and additional” funding. Under this definition, only those financial commitments by developed countries that represent investments beyond usual development aid qualify as climate finance.

WRI website
Simply put, climate finance can be obtained from four different sources ranging from national or international private sources, and national or international public sources. When one takes a closer look at the various streams of climate finance, the picture becomes of course much more complex. Sections 2 and 3 will examine in more detail climate finance at the national and international levels.
Even if mitigation efforts would succeed in limiting *global warming* to 2°C above pre-industrial levels, developing countries will still face climate change impacts such as sea-level rise, changes in precipitation and increased occurrence of extreme *weather* events. Developing countries therefore need additional financing to adapt to a changing climate. They also need finance for mitigation measures, including clean technologies and development of institutional and individual capacities. The UNFCCC established financial mechanisms whereby financial assistance from developed countries, with more resources and historical contribution to greenhouse gas emissions, can be channelled towards developing countries. At the 2009 UN Climate Change Conference in Copenhagen, developed countries committed to provide a collective 100 billion USD per year by 2020 to help developing countries mitigate greenhouse gas emissions and adapt to climate change impacts.

Although the scale of climate financing required is high, studies such as the Stern Review have demonstrated that the costs of inaction would be even higher.

Nicholas Stern (2006). *Stern Review on the Economics of Climate Change*
With no internationally recognized definition of what counts as a climate expenditure, it is difficult to determine current investments and financing needs in developing countries. According to the World Resources Institute (referring to the OECD) additional climate finance provided by developed country governments to developing countries in 2011 was in the range of 10-20 billion. This diagram shows that this is a relative small amount compared to overall global climate investments in 2011, which include also national and international private investments, as well as domestic public climate expenditures.

World Resources Institute website
Climate Policy Initiative website
According to the Climate Policy Initiative, out of the global climate investments in 2011, overall public climate finance accounted for 38% (or 135 billion USD). That means 62% (or 225 billion USD) were coming from private sources. UNDP estimates a larger amount: over 90% of climate finance being sourced from private markets.

Whatever the actual share might be, it is clear that the private sector outweighs the public sector in terms of the scale of finance provided. However, public finance and public policy play an important role in leveraging and shaping private investments.

Climate Policy Initiative website
UNDP (2011). Catalysing Climate Finance, p62
While climate finance is often discussed in the context of specific projects and investments that are explicitly labelled as climate finance, the transition to a low-carbon economy actually requires a much more fundamental shift in public and private investments, for example from traditional energy supply sources and technologies to climate-friendly alternatives. The International Energy Agency (IEA) estimates that investments in clean energies would need to amount to 36 trillion USD through 2050 (around 1 trillion USD annually) to cut carbon emissions by 50% compared to 2005 levels and limit the rise in global temperatures to 2° Celsius. Approximately half of this amount will be required in developing countries (including large emerging economies such as China and Brazil).

Additional investments are often understood as additional costs. However, the IEA study points out that there are high returns on investments. Long-term energy savings of 100 trillion USD would pay for the investments in low-carbon energy technology three times over.

IEA (2012). Energy Technology Perspectives 2012 - Pathways to a Clean Energy System
While current investments in the clean energy sector are not yet meeting the IEA threshold of 1 trillion USD annually, the past years have shown a positive trend. According to the Pew Charitable Trusts (2011), in 2010 the clean energy sector grew by 30% above 2009 levels to achieve a record of more than 200 billion USD worth of finance and investment.

UNDP (2011). Catalysing Climate Finance, p.19
This video produced by the Climate Policy Initiative gives an overview of the current global landscape of climate finance. It looks specifically at the different roles of public and private climate finance.
This section discusses national frameworks for climate change finance. It first looks at the concept of “climate finance readiness”, meaning the capacity of countries to absorb international climate finance. It then presents the idea of a comprehensive approach of managing climate finance looking in particular at government revenues and government spending. It further explains the importance of public expenditure reviews to evaluate how public finance is impacting climate change responses. It finally discusses ways to use public investments to leverage private finance.
In the past, discussions on climate finance have focused very much on the amount of international public finance supplied to developing countries. However, recently increasing attention is being paid to the ability or “readiness” of recipient countries to absorb and use climate finance effectively. According to UNDP, readiness for climate finance thereby comprises four main elements: national capacities to (1) plan for, (2) access, (3) deliver, and (4) monitor and report on climate finance.

Climate finance “readiness” at the national level is particularly important in view of the complex international climate finance architecture and the tendency to fund isolated interventions that are not aligned with national systems and priorities.

UNDP (2012). Readiness for Climate Finance
An important element of climate finance readiness is to ensure that external finance is used most effectively alongside domestic resources, in ways that are fully integrated with national development priorities. More and more countries are therefore seeking for comprehensive approaches to manage the external and domestic resources that are necessary to address climate change. They identify demand for and supply of climate finance and establish an institutional and policy framework for managing this finance effectively. A central element of these so called “climate financial” or “climate fiscal frameworks” is to link climate change priorities with government expenditure and taxation/revenue decisions through the national budget process. The following two slides look at these two elements (government revenue and government spending) in more detail.

National governments can raise revenues through various instruments as an incentive to change behavior that is more climate responsible. Possible instruments include user fees and dedicated taxes, such as a carbon tax. These instruments are inspired by the “polluter pays” principle, which means charging producers or consumers at the point that they are responsible for the creation of a pollutant (e.g. greenhouse gas emissions).

The focus in some Least Developed Countries (LDCs) may be more on the expenditure side of the fiscal framework. However, in the longer term the taxation and revenue dimensions will be equally important and in some cases these dimensions are already being strengthened.

UNDP (2011). Catalysing Climate Finance
The most important process used by governments to make trade-offs between competing policies across all spheres of government is the national budget process. The national budget is a key instrument to determine how responding to climate change may either complement or compete with policy objectives of national, sub-national or local governments. When preparing the national budget, the Ministry of Finance will determine the likely total resource envelope and then allocate that budget to different sectors (e.g. health, education, energy, transport etc.) at different levels of government (e.g. centre, local). The allocations made to sectors should be based on the priorities of the Government. This then provides the sectors with a resource envelope with which they can implement their own prioritized plans.

**Further information:**

One way to integrate climate change considerations in the budgetary process is to dedicate discretionary resources (i.e. the small amount of non-committed resources that a government has at its disposal) to specific new climate change initiatives. However, focusing solely on how resources can be allocated to new initiatives that promote adaptation or mitigation does not address the issue of reducing interventions with negative impacts on climate change outcomes (e.g. fossil fuel subsidies). Responding to climate change requires not just more dedicated expenditures for climate change actions, but also a qualitative shift across government in the overall composition of expenditures over time, so that expenditures which exacerbate climate change are reduced and potential synergies are maximised.

CDDE and UNDP (2013). Making Sense of Climate Finance
As climate change is an emerging issue, there is often not enough understanding at national level on how current policies and public expenditures are impacting climate change responses. Carrying out a Climate Public Expenditure and Institutional Review (CPEIR) can help to partially fill this analytical gap. The CPEIR methodology includes three main elements:

• An assessment of current policy priorities and strategies as these relate to climate change;
• A review of institutional arrangements for integrating climate change policy priorities into budgeting and expenditure management processes; and
• An analysis of public expenditure and its relevance to climate change.

UNDP, CDDE and ODI (2012). Climate Public Expenditure and Institutional Review (CPEIR)
This video presents good practices in the use of national climate change finance.
The first step Thailand undertook in building its climate fiscal framework was to review how public and private climate related expenditures were integrated into its national budgetary process (through a CPEIR). This analysis was done within the context of existing national policy and institutional arrangements that were already in place to respond to climate change. A three-year period (2009-2011) of the budget data was used and it indicated that roughly 0.5% of gross domestic product (GDP) and 2.8% of the total government budget was allocated towards climate-related expenditures. Building on the CPEIR, a climate fiscal framework was defined which feeds directly into the vision of Thailand’s Low Carbon and Climate Resilient Development Pathway. It also supports the National Economic and Social Development Plan (NESDP), Thailand’s Climate Change Master Plans, as well as the long-term disaster management plan.

UNDP, CDDE and ODI (2012). Climate Public Expenditure and Institutional Review (CPEIR)

GIZ. Measurement, Reporting, Verification - From Theory to Practical Implementation
Public sector funds alone are not sufficient to transform economies towards low carbon growth. It is therefore important to use national budgetary resources to leverage and redirect private sector finance. Even for highly profitable low-emission and climate-resilient actions, supportive public financial incentives can be required, because of high up-front costs (e.g. in the case of many clean energy projects). Incentivizing private investment can also be achieved by reducing associated risks (e.g. providing guaranteed access to the grid for independent power producers).

The graph illustrates in a stylized fashion the typical pattern of involvement of public and private sector finance at different stages of technology development. Public funding is important up-front to support research and development (R&D) and demonstration projects. This then helps to leverage a much greater amount of private finance at a later stage.

UNDP (2011). Catalysing Climate Finance
UNFCCC (2008). Investment and Financial Flows to Address Climate Change
A broad range of different policy instruments can be used by governments to incentivize or redirect private investment. The table provides a few examples and is by no means meant to be exhaustive.

It is important to keep in mind that favourable climate investment policies cannot substitute for an overall positive investment environment. Before making a climate investment, financiers will assess a number of project-specific (resources, technology, skills, energy intermediaries, operations and management, etc.) and non-project-specific risks (country risks, size of the economy, macro-economic conditions, investment policies, currency risk, tax rates, proximity to markets, technology, supporting and delivery infrastructure, etc.). Additional targeted climate investment measures, however, will be required to overcome the fact that many markets — and notably energy markets — contain significant distortions, in the form of favourable tax treatment, regulatory privileges, or legacy monopolies.

UNDP (2011). Catalysing Climate Finance
In this lecture Lord Nicolas Stern, author of the often cited Stern Review on the Economics of Climate Change, talks about opportunities for investments in climate change adaptation and mitigation and points to some major obstacles for incentivising private investments. (Watch starting minute 31:10.)
UNEP Climate Change Finance page offers a wealth of information on the subject of climate change finance, including a specific section aimed at supporting the engagement of the industry sector in the work towards low carbon development.
This section provides an overview of the international architecture for financing climate change mitigation and adaptation actions, including the UNFCCC mechanisms, other bilateral and multi-lateral finance institutions, and private investments.
This figure illustrates the complex landscape of international financial flows for climate action in developing countries. Government budgets of developed countries and capital markets source funding that is then channeled by various agents (development cooperation agencies, bilateral finance institutions, multilateral finance institutions, etc.) to developing countries.

The following slides explain the different flows and institutions in more details, starting with public finance and then looking at private investments.

An important element of the international climate finance architecture are the mechanisms established under the UN Framework Convention on Climate Change (UNFCCC).

To facilitate the transfer of funds to developing countries, the UNFCCC established a financial mechanism is operated by the Global Environmental Facility (GEF). Parties steer the operations of the financial mechanism through the Conference of the Parties (COP) by deciding on important aspects such as “climate change policies, programme priorities and criteria for eligibility of funding.” At COP 16 in 2010 Parties decided to establish a Standing Committee on Finance to assist the COP in exercising its functions. The Adaptation Fund was established in 2001 under the Kyoto Protocol to finance concrete adaptation projects and programmes in developing countries that are particularly vulnerable to the adverse effects of climate change. While GEF funds can usually be accessed exclusively by GEF Implementing Agencies, the Adaptation Fund can be accessed directly by National Implementing Entities in developing countries.

In addition, Parties have established special funds, managed by the GEF, namely the Special Climate Change Fund, the Least Developed Countries Fund.

The Green Climate Fund (GCF) was established in 2010 at COP 16 as an operating entity of the UNFCCC financial mechanism.

UNDP (2011). Catalyzing Climate Finance
The GEF is responsible for the administration of three trust funds; the GEF Trust Fund, the Special Climate Change Fund (SCCF) and the Least Developed Countries Fund (LDCF). The GEF also provides secretariat services to the Adaptation Fund on an interim basis.

Further information:

Every four years the GEF Trust Fund gets replenished by donor pledges made over a four-year period. A total of USD 15 billion has been received during five replenishments and funding is made available for activities falling within the GEF Focal Areas that are defined during the replenishment discussions.

The SCCF supports both long-term and short-term adaptation activities in water resources management, land management, agriculture, health, infrastructure development, fragile ecosystems, including mountainous ecosystems, and integrated coastal zone management. The SCCF has so far received voluntary contributions amounting to about USD 120 million.

The LDCF is a voluntary trust fund to address the needs of the 48 Least Developed Countries (LDCs) that are especially vulnerable to the impacts of climate change. Voluntary contributions of about USD 180 million have been mobilized by the GEF for this fund.

The AF was established to finance concrete adaptation projects and programmes in developing countries that are particularly vulnerable to the adverse effects of climate change. Over the past three years, the fund has dedicated more than USD 190 million to increase climate resilience in 28 countries around the world. The AF receives funding from a 2% levy on the Clean Development Mechanism (for more information on the CDM see Modules 1 and 4).
Climate funding can be accessed either directly via accredited national agencies without passing through an intermediary international institution or indirectly via an implementing agency. The Adaptation Fund is an example of a fund that can be accessed either indirectly through MIEs or directly by countries through a NIE. Both MIEs and NIEs have to be accredited before they can receive and manage funding on behalf of their country, and project proposals have to meet strict criteria. By end of 2013, 14 NIEs had been accredited.

In the case of the GEF, funds are disbursed to implementing GEF Agencies, i.e. selected multi-lateral development banks and UN organizations. GEF Agencies assist eligible governments and NGOs in the development, implementation, and management of GEF projects.
The Green Climate Fund (GCF) is a new multilateral fund that was agreed upon at the 2010 Climate Conference in Cancun, Mexico. The GCF will support low emission and climate resilient projects, programmes, and policies in developing countries and is expected to generate climate finance of USD 100 billion per year by 2020. The Fund is governed by a Board, hosted by the Republic of Korea, of 24 members equally representing developed and developing countries. The Board receives guidance from the COP on priorities and eligibility criteria but has full responsibility for all funding decisions. The World Bank serves as Interim Trustee for the Fund.
The objective of the UNFCCC finance portal is to provide information on bilateral, multilateral and regional resources provided by developed countries to developing countries. It thereby helps Parties to monitor the UNFCCC’s financial mechanism. It also informs other relevant stakeholders on the mobilization of resources necessary to support developing countries in implementing their Convention commitments.
Apart from the financial mechanisms set up under the UNFCCC, a multitude of development cooperation agencies, bilateral and multilateral finance institutions provide funding for climate actions in developing countries.

Many development cooperation agencies have rapidly integrated climate change considerations in their regular operations. Examples of development cooperation agencies include e.g. the German International Cooperation (GIZ) and the Swiss Agency for Development and Cooperation (SDC).

Bilateral Finance Institutions (BFIs) are financial institutions created and directed by a national government for the purpose of giving aid or investing in targeted development projects and programmes in developing countries. BFIs differ in mandate and purpose from development cooperation agencies, to the extent that BFIs exist as banks, with a profit as well a development objective. Examples of BFIs include the Agence Française de Développement (AFD), the German Development Bank (KfW), and the Japan International Cooperation Agency (JICA).

The ownership of Multilateral Finance Institutions (MFIs) is shared by multiple countries. Examples include the World Bank, and regional development banks such as the Asian Development Bank, the African Development Bank etc. MFIs, such as the World Bank, have dedicated funds established for financing climate change activities.


UNDP (2011). Catalyzing Climate Finance
Examples of multilateral sources of climate finance include the Climate Investment Funds (CIFs). The two CIF funds are the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF). The CTF finances demonstration, deployment and transfer of low-carbon technologies for greenhouse gas (GHG) reductions in developing countries. The SCF finances targeted programmes in developing countries to pilot new climate or sectoral approaches. Both funds are implemented jointly by six Multilateral Development Banks (MDBs), with the World Bank serving as a trustee. They are able to provide concessional loans, grants and guarantees, through one of the six partner MDBs, to recipients.

Bilateral funding sources come from dedicated funds established by one country to support developing countries in implementing the global climate change regime (including for example the German International Climate Initiative and the UK International Climate Fund). Some bilateral sources can be connected to a group of countries, such as the European Global Climate Change Alliance (GCCA) which aims to develop the capacity of the poorest and most vulnerable countries to adapt to the effects of climate change.
The Pilot Program for Climate Resilience (PPCR) is the first targeted program of the SCF, with the objective to pilot and demonstrate ways to integrate climate risk and resilience into core development planning, while complementing existing development efforts. Building on National Adaptation Programs of Action (NAPAs) and other relevant country strategies, PPCR programs are country-led and fund technical assistance and investments to support efforts made by countries to integrate climate risk and resilience into their development planning and implementation. It also provides incentives for scaled-up action and initiatives aimed at creating a shift from “business as usual” to broad-based strategies that are aimed at achieving climate resilience at the country level. Pilot countries include: Bangladesh, Bolivia, Niger, Saint Lucia, Tajikistan, Tonga and Zambia.
The Climate Funds Update is a joint initiative by two independent think tanks, the Heinrich Böll Foundation and the Overseas Development Institute, which monitors dedicated climate change funds by regularly recording and updating climate finance data. The presentation of the information and the analysis provided on the platform represent solely the opinion of these two organizations.
As mentioned in section 1, an important aspect of international public finance is the differentiation between traditional official development assistance (ODA) and the concept of “new and additional” climate finance.

When the UNFCCC was signed, Article 4.3 made it clear that the funds provided to developing countries under its various mechanisms needed to be “new and additional” funds. The terminology has since been used in a number of COP decisions, but there has not been an agreement on a definition of “new and additional” to be used by all Parties.

Developed countries have committed to provide 0.7% of their gross national income as ODA to developing countries. Climate finance is supposed to come in addition to this pledge to make sure that development funding is not decreasing because of climate finance. However, measuring what funding is “new and additional” has proven to be difficult, as many overlaps between the objectives and activities classified under ODA and financial flows to help developing countries address climate change exist. For example, expansion of rain water storage could be considered a development as well as a climate change adaptation activity. Or, in the area of mitigation, improving access to energy in underserved areas using low-emission technologies can address the development needs of vulnerable populations while promoting renewable energies. UNDP points out that it is imperative to develop synergies between climate and development finance to maximize the economic and social returns of climate change investments.

UNDP (2011). Catalyzing Climate Finance
ODI (2010). Climate Financing and Development - Friends or Foes?

Further information:

Official development assistance is defined as the flow of funds to countries and territories on the OECD’s Development Assistance Committee’s (DAS) list of ODA recipient and to multilateral development institutions. To be defined as ODA, assistance needs to involve the public sector, be aimed at development and be concessional in nature, i.e. at least 25% of it must be provided as grants rather than loans. ODA has traditionally been linked to specific projects, but it has increasingly been provided to sectorial budgets, which gives the recipient country a measure of control over the resources. Initially directed solely to development, ODA has evolved to include concerns such as environmental sustainability and climate change mitigation and adaptation.
Carbon markets are an innovative, policy-based source of climate finance. They function under a regulated limit to carbon emissions (a "cap" on emissions). Permits or "allowances" are given or auctioned to carbon emitters who then have to conduct their business within this set limit. This creates a market for these allowances, where lower emitting entities can trade their extra allowances to those who need the additional capacity, hence the term "cap-and-trade" carbon markets.

A global carbon market was established under the Kyoto Protocol (see next slide). An example for a regional carbon market is the EU *Emissions Trading System*.

SEI (2009). *Bilateral Finance Institutions and Climate Change: A Mapping of Climate Portfolios*

Renewable Energy World website
In the context of the Kyoto Protocol “caps” were set for Annex I Parties, in terms of GHG emission reduction targets. Through International Emissions Trading Annex I countries can buy allowances from other Annex I countries that were successful in reducing emissions below their targets.

Annex I countries can also obtain Certified Emission Reduction (CER) credits by supporting mitigation projects in developing countries under the Clean Development Mechanism (CDM). According to the High-Level Panel on the CDM Policy Dialogue, between 2002 and 2012 the CDM has helped to mitigate approximately one billion tons of GHG emissions in a manner that realized USD 3.6 billion in savings for developed countries. Over this same period the CDM has mobilized more than USD 215 billion in investments in developing countries, thereby accelerating economic growth and poverty alleviation.

Joint Implementation (JI) allows Annex I countries to earn credits (known in this case as Emission Reduction Units - ERUs) by financing an emission reduction project in another Annex I country, typically an economy-in-transition.

The Kyoto Flexibility Mechanisms are based on the principle that the effect on the global environment is the same regardless of where GHG emissions reductions are achieved.

UNDP (2011). Catalyzing Climate Finance
A power utility in a developing country is considering whether to invest in a coal-fired power plant or a wind power plant. The cost of wind power is higher than the cost of coal-fired power. However, by investing in wind power, a lower carbon energy technology, the power utility can avoid a certain quantity of carbon emissions that would have been generated by the coal-fired power plant. The power utility would then be compensated for this reduction (tonnes of GHG reduced) with carbon credits, or CERs. Through the creation of carbon markets, the power utility is able to sell the CERs, which creates a hard currency revenue stream for the company. The size of this revenue stream will vary by project depending of the tonnes of GHG reduced.

UNDP (2011). Catalyzing Climate Finance
A major challenge for carbon finance has been the low price for carbon credits. The High-Level Panel on the CDM Policy Dialogue reports that carbon prices in the CDM market declined 70% in the year 2012 and are projected to fall further. Mitigation targets are so modest that they no longer create strong incentives for private international investment and local action in developing nations. Another critical issue with CDM is the uneven regional distribution of projects. Only 2.9% of all CDM projects are located within the African region, while Asia and the Pacific account for more than 80%. A further challenge relates to the fact that CDM and JI are project-based mechanisms that do not allow looking at the bigger picture of emission reductions in a sector or country. In this context some countries have proposed a new scaled-up market mechanism, based on policies or sector-wide reductions (so called New Market Mechanism - NMM). Some stakeholders, including the WWF, have criticized that CDM projects have led to non-additional emission reductions (meaning reductions that would have taken place anyways) and that emission reductions were double-counted by Annex I countries and host developing countries.


WWF (2013). Submission to SBSTA – Views on Framework for Various Approaches

CDM Pipeline website
A majority of the international finance for climate change adaptation and mitigation in developing countries is coming from the private sector.

It is quite difficult to provide an accurate estimate of international private climate investments. According to the OECD, current international climate investments by private entities from developed countries in developing countries are in the area of 72 billion USD, far out-weighing public sources.

International private climate finance thereby comes in different forms including:

1) Foreign direct investments, i.e. an investment made by a company in one country in an enterprise in another country;
2) Private money raised through capital markets that is being provided to companies or countries engaged in climate-related activities (in the form of loans, bonds, equity and debt instruments, etc.);
3) Finance flows associated with CDM (which also involves public flows).

Module Summary

- There is a need for additional funding for climate related activities.
- Actually, private investments account for most of climate finance.
- National institutions already spend a lot of money on climate related activities, even though it is not usually recorded as such. Proceeding to a Climate Public Expenditure and Institutional Review (CPEIR) can help get a better view of climate-related expenses.
- A national government can provide incentives to channel private investments into climate related activities.
- Climate finance readiness is important to attract international climate related funding.
- There are multiple streams of international climate finance that channel either public or private funding.
Useful Links

- UNEP Finance Initiative
- UNDP MDG Carbon
- UNFCCC Focus: Finance
- Climate Investment Funds (CIF)
- Climate Policy Initiative: Landscape of Climate Finance
- Climate Funds Update – Climate Finance Fundamentals
- UNEP Risoe CDM/JI Pipeline Analysis and Database
- Multilateral and Bilateral Funding Sources
Recommended Readings

- UNDP (2011). *Catalysing Climate Finance*
- UNDP (2012). *Readiness for Climate Finance*
- CDDE and UNDP (2012). *Making Sense of Climate Finance*
- UNDP UNFCCC (s.d.). *Fact Sheet: Financing Climate Change Action Investment and Financial Flows for a Strengthened Response to Climate Change*
Main References

- UNDP (2011). Catalysing Climate Finance
- Climate Policy Initiative website
- World Resources Institute website