What is needed to make climate finance successful?

CPI – ICCG Workshop on the State of Carbon Finance
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KfW Climate Portfolio: Domestic & International

**KfW new commitments for green investments:**

<table>
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<th>Total (domestic &amp; international):</th>
<th>USD 26.7 billion loans in 2009 (31% of total lending)</th>
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<td>Thereof international USD 4.6 billion (concession &amp; non-concessional)</td>
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**Financial Cooperation**

- Renewable Energy, Energy Efficiency, Forest Protection and Reforestation Projects
- German International Climate Initiative (IKI)
- German International Climate & Environment Program
- Private sector programs (DEG, Financial Sector: Structured Funds, Green Credit Lines)

**Carbon Fund (JI/CDM)**

- KfW Carbon Program
- EIB-KfW Carbon Program
- Government of Belgium Carbon Fund
- EIB Post-2012 Carbon Fund

**Export Finance:**

- Wind Parks (onshore, offshore)
- Photovoltaics
- Concentrated Solar Power
KFW Development Bank: Transparency on International Climate Financing

- OECD-DAC Reporting incl. Rio Markers
- Annual Report
- Semi-annual Press-Conferences
- Bi-annual Sustainability Report
- UNEP Bilateral Financing Institutes
- Climate Portfolio Mapping with SE
- www.kfw-entwicklungsbank.de

1.74 Billion USD New Commitments on Climate in 2009
Estd. Global New Power Generation Investment in 2010

- Coal: 150 USD
- Gas: 50 USD
- Nuclear: 20 USD
- Hydro: 80 USD
- Wind: 60 USD
- Other RE: 40 USD
Estd. Global New Power Generation Capacity in 2010

- Coal: 32%
- Gas: 28%
- Nuclear: 3%
- Hydro: 14%
- Wind: 17%
- Other RE: 6%
Climate Financing Today

- Growth of green energy investment since 1990’s is a huge success

- Largely domestic (e.g. selected OECD countries, China, India, Brazil)
- Largely in the power sector: wind, conventional hydro & PV
- Largely via the mainstream financial sector (private and public)

- Mainly driven by domestic policies

- Conventional fossil investment still dominates and takes place in the same countries where green energy investment is promoted
Conclusions

- What matters for the climate: speed, size, effectiveness & efficiency

- National policies rule: win-win approaches beyond climate - employment, safety of supply, industrial policy/ green growth, air quality

- Foster and do not scare away the private sector / financial sector

- Central role for domestic non-concessional lending by national development banks: BNDES (Brazil), Development Bank of South Africa, …
Beyond GHG Emission and Global Investment Data: Information Platform for Climate Activity Data?

Existing and new plants and investment on a country-by-country level
- Old and new renewable technology
- Fossil power generation (CHP, CCS)
- Nuclear
- Refineries, petrochemical plants
- Coal liquification and gasification
- Pipelines
- Oil and gas fields
- Extraction of oil shales and sands
- Coal mines
- Steel, cement, aluminium, fertiliser plants

Most of this information exists in databases of research institutes, market analysts, consultants, suppliers

Needed: Funding, consistent presentation & quality assurance

Phase 1: Mapping of sources
Phase 2: Coordinated public platform

Other sectors:
- Passenger and cargo vehicles, planes, ships
- Products containing fluorinated gases…
Thank you for your attention!

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