CPI Landscape of Climate Finance

Private Finance Tracking
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• CPI’s experience of climate finance tracking
• Identifying and assessing data of private climate finance
• Adjusting the existing methodology
• Research gaps and bottlenecks
• Next steps to improve tracking of private climate finance
Landscape 2011 – private at least USD 55 billion
Landscape 2012 – private at least USD 217-243 billion
Landscape 2012: increased coverage

Better coverage of magnitude and nature of climate finance between and within countries, particularly private flows

• Expanded geographic scope and coverage of players
• Improved representation of sectors and countries receiving finance
• More detailed representation of private sector climate finance flows

... and expanded again in 2013.
Improving current private climate finance tracking

• Tried and tested methodology for tracking renewable energy investments.
• *Landscape 2012* used three steps... (eg uses *Landscape 2013* numbers)

**Step 1 – new MWs**
- 2,300 projects
- 70 GW financed
- 76 countries
*BNF database (2013)*

**Step 2 – 90% of USD**
- 2,000 projects
- 91% of MWs
- 19 countries

**Step 3 – ‘shallow’ investors**
- Project involvement
  - 1,700 entities total
  - 550 entities for 91% of USD
- Technology
- Country (OECD?)
- Instrument (debt, equity, etc.)

... *Landscape 2013* adds a new depth of analysis
Landscape 2013 – who ultimately owns the investment?

• ‘Shallow’ investors are only a part of the full picture.

**Step 4 – ‘deep’ owner**

We determine the **levels** of ownership through 

to the ultimate owner to identify:
- Sources, recipients
- Public or private involvement
- Countries
- Domestic and international ownership
- Financial instrument

**Example**

**Level 1**: EDF Renewable Energy Inc
- US company
- USD 50 million
- US biomass project

**Level 2**: EDF Energies Nouvelles SA
- 100% owner
- French company

**Level 3**: EDF SA
- 100% owner
- French company

**Level 4**: Republic of France
- 84% owner of EDF

**Level 4**: Other investors
- 16% owner of EDF
Research gaps, bottlenecks and next steps

• Private sector is **fundamentally important** to climate finance.
• But it remains **challenging to fully capture** since there are:
  – Complex private ownership and investment structures
  – Incomplete or assumption-filled data sets
  – No common definition on climate finance
• Our tracking methodologies have **significantly improved the understanding and scope** of private climate finance.
• CPI has gone **as far as possible** to track private climate finance.
• Engaged and keen to work for collaboration and consistency
Thank you
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