# Canada's approach to reporting on support provided

PATPA Retreat October 2018

## The Canadian context

- Canada's international climate support
  - CAD 2.65 billion pledged for 2015-2020
  - Other activities as part of Canada's International Assistance Envelope
  - Climate support delivered through various actors/ sources/ channels:
    - Several federal agencies
    - Bilateral and multilateral partners

- Why track and report?
  - Report to Canadians on the use of public resources: good governance
  - Report to the international community on Canada's commitments: international trust, facilitate climate action

# Key players in tracking and reporting

- Global Affairs Canada (GAC)
  - Lead: foreign policy and engagement, delivery and reporting of Canada's International Assistance Envelope
    - → Mandate and processes to collect information on int'l support across federal agencies
- Environment and Climate Change Canada (ECCC)
  - Lead: domestic and international climate change policy and reporting
    - → Mandate and understanding of reporting guidelines on climate action and finance
- Natural Resources Canada (NRCan)
  - Lead: energy (including energy-related clean technologies)
- All relevant departments and agencies implementing projects
  - Individual mandate to track progress and collect project level-data

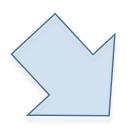
# Data collection and reporting

**1. Implementation of int'l assistance projects** (federal agencies, partners)

Continuous process

Data collection at project level:

- Description/objectives, funding sources, total funding and disbursements, financial instrument, duration, partners, results expected/achieved
- RIO Markers: adaptation, mitigation, biodiversity, desertification



#### Leveraging:

- Existing data collection processes
- International work on methodologies

## **2. Data compilation** (GAC)

Annual process: outreach to project managers across agencies

Compilation and reporting

- Database of int'l assistance projects
- Reports to
  - Canadian Parliament
  - Int'l audiences (e.g. OECD-DAC)



#### 3. UNFCCC reporting

(ECCC, NRCan)

Every 2 years: request information from GAC

Compiling all projects marked adaptation/mitigation

Preparation of NCs and BRs

#### Project profile — Canadian Climate Fund for the Private Sector in Asia

Download project profile: Q Search for projects Description and results Financials Related information Overview Overview Project number CA-3-M013850001 Maximum contribution \$75,000,000 Partner profile Asian Development Bank (46004) Start - end 2013-03-26 - 2037-03-31 Status Operational ▼ Country / region Asia, regional (100.00%) ▼ Sector · Energy Generation, Renewable Resources Energy generation, renewable sources - multiple technologies (23210) (20.00%) Energy Generation, Renewable Resources Solar energy (23230) (20.00%) Energy Generation, Renewable Resources Wind energy (23240) (20.00%) · Energy Generation, Renewable Resources Geothermal energy (23260) (20.00%) · Energy Generation, Renewable Resources Biofuel-fired power plants (23270) (20.00%) ▼ Policy marker · Environmental sustainability (cross-cutting) (principal objective) Climate change mitigation (principal objective) Climate Change Adaptation (significant objective)

Note: The Project Browser provides access to project data published by Global Affairs Canada's in accordance with the International Aid Transparency Initiative (IATI) standard. This is not meant for official reporting, but to provide information on past and current international projects.

#### **Description**

This initiative supports private sector projects across Asia and the Pacific that help countries reduce their carbon footprint and adapt to the adverse impacts of climate change. It focuses on increasing renewable energy and energy efficiency, supporting urban infrastructure and sustainable transportation, and reducing greenhouse gas emissions. It helps countries overcome technology risks and cost hurdles in order to initiate and scale-up projects to reduce greenhouse gas emissions and increase climate resilience. Clean energy projects supported by the Fund may include wind, solar, geothermal and hydro projects. The Fund provides concessional financing to catalyze private sector climate mitigation and adaptation projects that require loans with concessionary terms to be viable. The Fund may provide up to a third of its financing in repayable contributions offered in the local currency, rather than US dollars, to encourage local companies to invest by protecting them from unexpected borrowing costs that might result from fluctuations in the US dollar. All Fund investments are co-financed by the Asian Development Bank. During the six-year investment period, the Fund also provides technical assistance to select private sector projects or public sector projects that improve the enabling environment for private sector investments. Canada's contribution to the Fund is expected to leverage up to US \$300 million in private sector investment over the Fund's 24-year life and help to reduce greenhouse gas emissions by up to 750,000 tonnes per annum.

#### ▼ Expected results

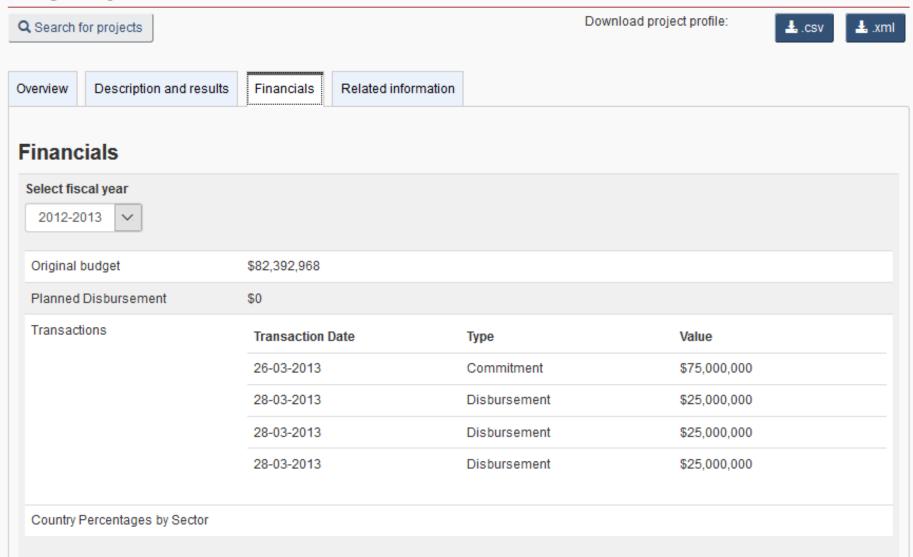
The expected intermediate outcomes for this project include: increased implementation of climate change mitigation measures and reduced vulnerability to the adverse effects of climate change.

#### ▼ Results achieved

Results achieved as of March 2017 include: approval of three mitigation projects in Indonesia, Georgia and Cambodia; which are expected to leverage approximately USD 2.0 billion from public and private sources. The Sarulla Geothermal Power project (in Indonesia): The Fund is supporting the construction and operation of three geothermal power generation units in Sarulla, with a total renewable energy capacity of about 320 megawatts. Construction is underway, with engineering, procurement and construction at 65% completion. The project is expected to result in the avoidance of 1.3 million tonnes of greenhouse gas emissions per year. The AsDB is providing \$330 million in co-financing, and the Fund's support is expected to leverage \$698.8 million and \$533.6 million of private and non-private sector investments, respectively. The Adjaristsqali Hydropower project (in South West Georgia): The Fund is supporting the construction and operation of two run-of-the-river hydropower plants with combined capacity of 185 megawatts. Construction is well underway at 83% completion and operations expected to begin in January 2018. The project is expected to generate 450 gigawatt-hour per year of clean energy and would result in the expected reduction of approximately 200,000 tons of carbon dioxide per year. The AsDB is providing \$75 million in co-financing, and the Fund's support is expected to leverage \$138.0 million and \$203.5 million of private and non-private sector investment, respectively. The Cambodia - Solar Power Project: This project supports increased access to electricity through the first utility-scale solar power project (10 MW) and the first competitive tender for a renewable independent power producer in Cambodia. Construction is expected to be completed by the end of 2017. The project is expected to reduce carbon dioxide by 6,000 tons per year and generate 9 gigawatt-hour per year of renewable energy. The AsDB is providing \$3.3 million in co-financing, and the Fund's support is expected to leverage \$6.623 million

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### Project profile — Canadian Climate Fund for the Private Sector in Asia



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Q Search for projects

Download project profile:





Overview	Description and results	Financials Related information
Relate	d information	
Links		Related activities  • Canadian Climate Fund for the Private Sector in Asia – Technical Assistance Related links  • Partner website — Asian Development Bank • Partner website — Asian Development Bank
Lead department		Global Affairs Canada
Responsibility centre / program		MFM Global Issues & Dev.Branch
Type of finance		Aid grant excluding debt reorganisation
Collaboration type		Bilateral
Type of aid		Contributions to specific-purpose programmes and funds managed by international organisations (multilateral, INGO)

## Key challenges and successes

- On-going improvements efforts
  - Meeting the needs of various audiences (type and presentation of info, level of detail)
  - Measuring finance mobilized
  - Tracking the effects of funding to MDBs
  - Aligning accounting to donor partners
  - Avoiding double-counting of TT and CB projects
- Some successes
  - Granularity of information (project-level) to enhance transparency
  - Detailed annex on methodologies for tracking and reporting on climate support
  - Levering international efforts to strengthen methodologies
  - International Climate Finance: <a href="https://climate-change.canada.ca/finance/">https://climate-change.canada.ca/finance/</a>

# **Takeaways**

- Reporting to UNFCCC improves tracking of climate finance data
- Continuously build on existing domestic systems, international methodologies and best practices
- Development of MPGs
  - Tables for reporting private support mobilized
  - Separate tables for climate finance, TT and CB to preserve granularity while avoiding double counting
    - Finance tables with tickboxes for TT or CB components
    - TT and CB tables, without \$ estimates

## For reference: Canada's Climate Finance Priorities

- Canada's climate finance is supporting the goals of the Paris Agreement and the 2030 Sustainable Development Agenda.
- Canada's climate finance aims to:
  - Support ambitious mitigation in line with developing countries' needs.
  - Scale up support for adaptation, particularly for the poorest and most vulnerable.
  - Mobilize private sector finance and partner with multilateral and bilateral actors to remove barriers to private investment.
  - Focus on the empowerment of women and girls, and gender equality.
- Canada's international projects browser:
   <a href="http://w05.international.gc.ca/projectbrowser-banqueprojets/?lang=eng">http://w05.international.gc.ca/projectbrowser-banqueprojets/?lang=eng</a>
- Canada's climate finance website:
  - https://climate-change.canada.ca/finance/