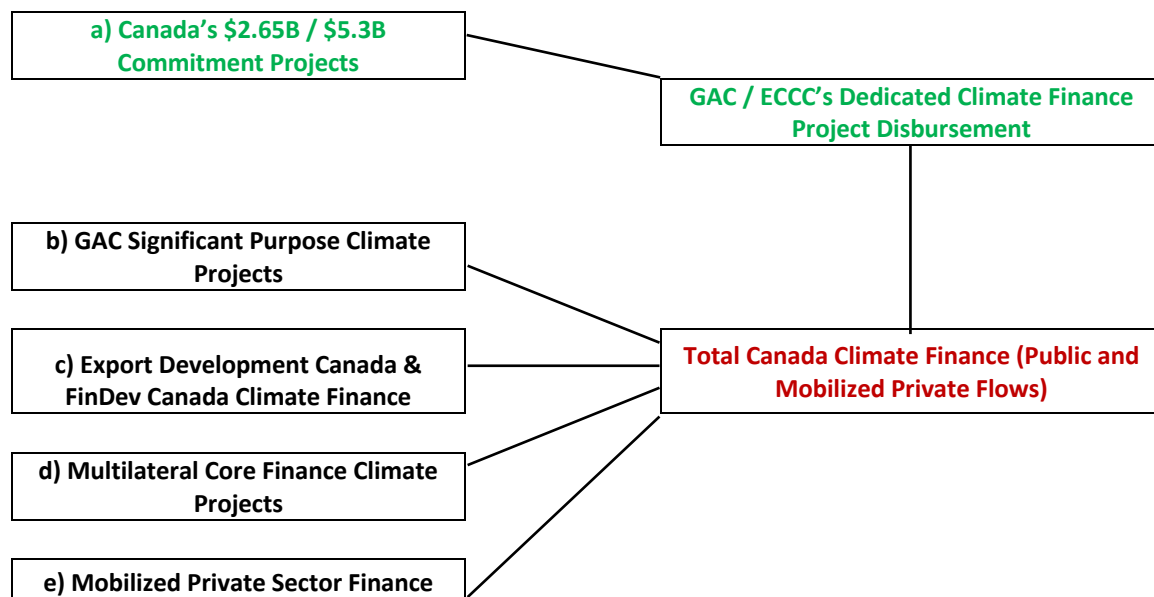


## Briefing Note Five<sup>1</sup>

### Estimating Canada's Total Climate Finance Contributions, All Sources, 2016/17 to 2020/21

In 2009 at Copenhagen and again in Paris at COP 21 in 2015, providers, including Canada, agreed to allocate US\$100 billion in climate finance by 2020. This commitment of US\$100 billion included bilateral climate finance by individual providers, multilateral climate finance attributable to providers (i.e. based on the latter's core support for these organizations), and private sector climate finance mobilized by official contributions (i.e. blended finance). The \$2.65 billion pledge is only part of Canadian climate finance from all official (government) sources in support of this global goal. (See **Chart Four**)

**Chart Five: Components of Canada's Total Climate Finance Portfolio**



An estimated total of \$5.5 billion was allocated to climate finance through all sources over the five years, 2016/17 to 2020/21.<sup>2</sup> (See **Table One and Chart Five**) Less than half (48%) of this estimated total climate finance is derived from projects supported by the \$2.65 billion climate pledge. A large share is covered by Export Development Canada, but given the lack of any detailed data for EDC, it should be acknowledged that the \$1.0 billion reported in Canada's 2020 Biennial Reports to the UNFCCC cannot be verified.

Based on this estimate for total climate flows, approximately 28% were estimated to be directed to adaptation, with the remaining 72% to mitigation.

<sup>1</sup> This Briefing Note was research and written by Brian Tomlinson, AidWatch Canada, in July 2022 and updated in January 2023. It has been prepared on behalf of the [Canadian CSO Coalition on Climate Change and Development \(C4D\)](#).

<sup>2</sup> This estimate is based on disbursements for principal purpose and significant purpose climate finance project in the Historical Projects Dataset and Canada's Third, Fourth and Fifth Biennial Reports to the UNFCCC.

**Table One**  
**Estimating Total Canadian Climate Finance, 2016 to 2020, Cumulative Disbursements**

| <b>Source</b>  | <b>Five-Year Total</b> | <b>Adaptation</b> | <b>Mitigation</b> |
|--|------------------------|-------------------|-------------------|
| a) \$2.65B Commitment, Disbursement to March 2021                    | \$2,610.8              | \$890.9           | \$1,719.9         |
| b) Significant purpose climate projects @ 30% of Total Disbursements | \$709.9                | \$454.3           | \$255.6           |
| c) Disbursements by other Government Bodies                          | \$88.6                 | \$64.1            | \$24.5            |
| d) Export Development Canada (Commitments)                           | \$ 1,023.4             | --                | \$1,023.4         |
| e) FinDev Canada (Commitments)                                       | \$256.4                | \$53.0            | \$203.4           |
| f) Mobilized Private Finance (Commitments)                           | \$801.2                | \$80.1            | \$721.1           |
| <b>Total</b>   | <b>\$5,490.2</b>       | <b>\$1,542.4</b>  | <b>\$3,947.9</b>  |
| <b>Share of Total</b><br>(Excluding Imputed Multilateral)            |                        | <b>28%</b>        | <b>72%</b>        |
| g) Estimated Imputed Multilateral Finance                            | \$1,722.5              | \$738.8           | \$983.7           |

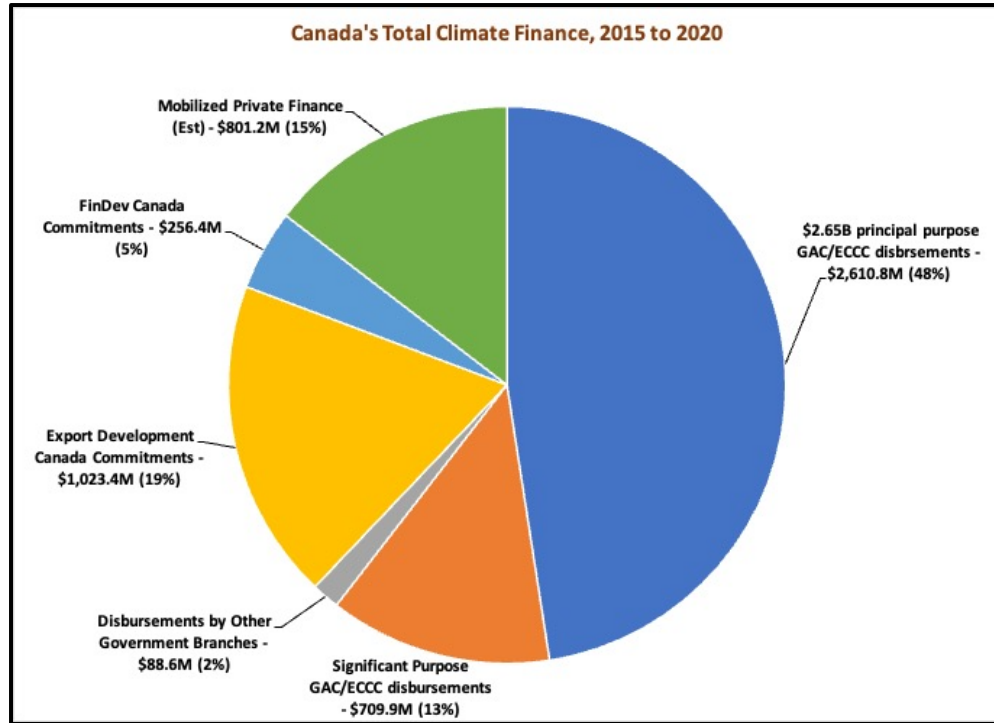
Sources: GAC HPDS, Canada's Biennial Reports to the UNFCCC, DAC Climate Finance dataset

**NB: Table One Methodological Notes and Assumptions:**

1. For the \$2.65B commitment, actual disbursements to March 31, 2021 (HPDS) for principal purpose projects only. Disbursements are from the accounts of the Government of Canada, not to final recipients.
2. Disbursements by other government bodies includes IDRC, other entities and provinces from HPDS, up to March 31, 2021.
3. All significant purpose projects are significant purpose project disbursements up to March 31, 2021. Disbursements are included at 30% of total project disbursements, which is also the proportion that Canada reports to the UNFCCC in its Biennial Reports.
4. The total for Export Development Canada includes the total from Canada's Third, Fourth and Fifth Biennial Reports to the UNFCCC for the years 2015 to 2020. According to the 2022 Fifth Biennial Report, all EDC climate finance related to mitigation (page 402).
5. The amounts for FinDev Canada are determined by published project profiles by FinDev up to July 2022.
6. Mobilized private sector finance amounts are only available for 2017 to 2020 in the Fourth and Fifth Biennial UNFCCC Reports. There is no estimate for 2015 and 2016, which is likely to be very low, given that most mobilized private finance relates to MDB Canadian Funds that were not established in those years. An 90/10 ratio for mitigation / adaptation is estimated by the author for the allocation of private sector mobilized finance.
7. The DAC established imputed multilateral climate finance for Canada and all donors. This total reflects the DAC calculations for the years, 2016 to 2019. The amount for 2019 is assumed to apply to 2020. An exchange rate of \$1.28 is applied to the DAC US dollar figures across all years.

**Chart Six: Estimating Canada's Total Climate Finance, All Sources, 2015 to 2020**

Source: Table One



Canada and other providers of climate finance agreed to provide US\$100 billion in climate finance by 2020. Based on Canada’s fair share of this \$100 billion (3.8%) and the data and assumptions from **Table One** above, it is possible to estimate the degree to which Canada has achieved its fair share of this target in 2020/21 (**Table Two**). This global target has three components – bilateral climate finance, imputed multilateral climate finance allocated to each provider, and mobilized private finance by official provider resources. According to these estimates, Canada realized approximately 28% of its fair share of the US\$100 billion in 2020/21.

**Table Two**  
**An Estimate of Canada’s Fair Share of the US\$100 billion in climate finance for 2020**

| Component                 | Canada’s Fair Share | Canada’s 2020/21 Performance | Proportion of Fair Share |
|---------------------------|---------------------|------------------------------|--------------------------|
| Bilateral                 | \$1.8 billion       | \$945 million (1)            | 53%                      |
| Imputed Multilateral      | \$1.4 billion       | \$310 million (2)            | 22%                      |
| Mobilized Private Finance | \$1.6 billion       | \$100 million (3)            | 6%                       |
| Total                     | \$4.8 billion       | \$1.36 billion               | 28%                      |

**Note:** Canada’s Performance is derived from the assumptions for Table One Above, notably

- (1) Canada’s actual disbursements for principal purpose climate finance in 2020/21
- (2) Derived from the OECD DAC climate finance data for Canada, 2019 and 2020 average. The Canadian government has no control over this share as it is calculated by the DAC based on climate allocations of these multilateral institutions.
- (3) Estimated based on Canada’s Fifth Biennial Climate Report to the UNFCCC. Annual average of 2019 and 2020.

**Chart Seven: Estimating Canada’s Performance in Realizing**

## its Fair Share of the US\$100 billion pledge in 2020

