Ireland’s Climate and Environmental Finance Report

2018

This report has been prepared by the Development Cooperation and Africa Division of the Department of Foreign Affairs and Trade. The figures outlined in the report represent funding from the Department of Foreign Affairs and Trade, the Department of Communications Climate Action and the Environment (DCCAE), the Department of Finance, and the Department of Agriculture.

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Executive Summary

Ireland has committed to provide financial resources that support enhanced action on climate mitigation, adaptation, technology development and capacity-building. This report provides an overview of Ireland's international financial support in 2018 to the objectives of the Rio Conventions on climate change, biodiversity and desertification. It also illustrates Ireland's financial support to Disaster Risk Reduction (DRR) and resilience against climatic and weather-related events.

In 2015, Ireland set a Programme for Government commitment to provide €175m in total in climate finance between 2016 and 2020. This report indicates that Ireland has successfully met this commitment, noting a year-on-year increase in climate finance from 2015 to 2018.

In 2018, the Government of Ireland provided at least €79,730,051 in climate finance. This figure represents financing provided by Department of Foreign Affairs and Trade (DFAT), the Department of Communications, Climate Action and Environment (DCCAE), the Department of Finance, and the Department of Agriculture.

DFAT provided the lion's share of climate finance in 2018, approximately €64,754,091, while DCCAE and Department of Finance provided €6,265,632 and €8,501,578 respectively. The Department of Agriculture provided a small amount towards the overall sum (€208,750).

The 2018 figure represents an increase by approximately 13% in climate finance as compared to 2017, where the overall climate finance provided was €69,133,915. It also represents a steady increase year on year of financial support to international climate action since 2015.

The report notes **a net increase in climate spending across the main channels of Irish climate finance**: bilateral programming, support through Irish civil society organisations (CSOs), financing through multilateral institutions, climate change funds and UN bodies, and other channels of support such as think tanks and research based organisations.

The **majority of Ireland's climate finance, over 65%, channelled to programmes and projects that targeted resilience and adaptation to climate change.** Cross-cutting activities – those which target both climate change adaptation and mitigation – received approximately 32% of overall financial support. Mitigation focused activities received the least amount of support – approximately 3%.

Ireland focuses most of its international development cooperation and climate action in Least Developed Countries (LDCs). The majority of Ireland's bilateral climate financing (approximately €34,208,717 out of a total of €36,374,223) was channelled to LDCs, while LDC focused funds such as the Least Developed Countries Fund and the World Bank-International Development Association received €1 million and €5.3 million respectively. In addition, of the €22.2 million support through Irish CSOs, nearly €20 million in climate finance went to LDCs in Africa, Asia and the Americas.

Going forward, the **Government of Ireland has placed climate action among the four major policy priorities in its new international development policy *A Better World,* launched in February 2019.**[1] In the policy we commit to scale up our funding on climate action and explore innovative approaches to climate finance, risk insurance and climate adaptation. This will require a significant step-change both

[1] https://www.irishaid.ie/about-us/policy-for-international-development/

within the Department of Foreign Affairs and Trade and across other Government departments, to ensure that international programming and diplomacy support effective climate change mitigation and adaptation actions.

Overall climate finance provided by Ireland's government departments

Channel	DFAT	DCCAE	Department of Finance	Department of Agriculture	Total climate finance
Bilateral Programmes	€36,374,223	€0	€0	€0	€36,374,223
Civil Society Organisations	€22,260,118	€0	€0	€0	€22,260,118
Multilateral climate change funds	€1,000,000	€3,224,000	€0	€0	€4,224,000
Multilateral financial institutions	€0	€0	€8,501,578	€0	€8,501,578
Specialised UN bodies	€1,093,000	€3,041,632	€0	€0	€4,134,632
Other channels	€4,026,750	€0	€0	€208,750	€4,235,500
Total	**€64,754,091**	**€6,265,632**	**€8,501,578**	**€208,750**	**€79,730,051**

1.1 Introduction

In 2018, the Department of Foreign Affairs and Trade (DFAT) contracted consultancy firm AECOM to deliver a number of tasks in relation to Ireland's climate finance reporting:

1. Prepare Ireland's climate finance report for 2017
2. Develop a template for collecting and collating Ireland's climate finance for future reports
3. Lead a training workshop for DFAT staff and CSO partners on the use of the reporting template for future reporting exercises

In the light of lessons learned and recommendations in the report[2] from AECOM, and the training hosted by DFAT, the template developed by AECOM has been adopted by DFAT for the preparation and completion of its climate finance report for 2018.

The reporting template provides DFAT staff in Headquarters and Missions, and civil society partners with a simplified means of collecting and collating financial reports. The accompanying guidance note and definitions allow for the application of Rio markers in an informed and increasingly accurate manner. In line with the 2017 recommendations, the reporting template aims to capture and justify all of the climate related spend, and provide sufficiently granular information in relation to the targeting of climate and environmental finance.

The data collection and reporting for climate finance 2018 was led by the climate team located in DFAT Headquarters. The template was completed respectively by climate change focal points in Irish Missions and Embassies of recipient countries and civil society organisations (CSOs) in receipt of DFAT grant funding. The information provided to DFAT HQ was cross-checked and assessed by members of the climate team.

1.2 Climate finance reporting

The United Nations Rio Conventions – UN Framework Convention on Climate Change (UNFCCC), UN Convention on Biological Diversity and the UN Convention to Combat Desertification – require donor countries such as Ireland to report on an annual basis the financial support that is provided to developing nations for the purpose of achieving the objectives of the Rio Conventions. Reporting against these Conventions is a signal of Ireland's policy commitment to international objectives that seek to address climate change, protect biodiversity and combat desertification. In particular, providing and reporting financial support for climate action illustrates Ireland's commitment to the Paris Agreement on climate change, an international agreement which commits Parties under the UNFCCC to take action on climate change. The Paris Agreement requires developed countries to provide USD$100 billion per year in climate finance up to 2025, to support developing countries to mitigate and adapt to climate change.

The Organisation for Economic Co-operation and Development (OECD) is an intergovernmental organisation made up of 36 member countries, which aims to improve the economic and social well-

[2] https://www.climatelearningplatform.org/sites/default/files/resources/climate_finance_report_2017_final.pdf

being of people in non-member countries. The OECD Development Assistance Committee[3] (DAC) is a body within the OECD which establishes definitions and methods for monitoring, assessing and reporting resources contributing to development cooperation, including for achieving Agenda 2030 and the Sustainable Development Goals. The DAC has agreed on definitions for reporting environmental expenditures. These expenditures are more commonly known as the Rio markers. As a member of the OECD, Ireland is requested to produce annual Overseas Development Assistance (ODA) reports which disclose the development finance that they provide to target the objectives of the Rio Conventions on climate change (mitigation and adaptation), biodiversity, and desertification.

1.3 Rio Markers

Rio markers were developed by the OECD to enable the consistent measuring and monitoring of climate and environmental finance provided by donor countries and multilateral institutions to developing countries. Donors are provided with broad-based definitions and guidance on the application of the Rio markers both through development cooperation and in addition to development cooperation activities. The definitions as applied by Ireland are provided in table 1.

The Rio markers on biodiversity, climate change mitigation, desertification were introduced in 1998, with a fourth marker on climate change adaptation being applied to 2010 flows onwards. Rio markers should be applied to all bilateral ODA and non-export credit and other official flows (OOF).

Activities are marked as 'principal', 'significant', or 'not relevant' for each Rio marker, which then corresponds to the percentage of budget attributed to climate finance.
Table 2 provides definitions for each of these Rio marker scores.

Table 1 – Rio marker definitions

Rio marker	Definition
Mitigation	The activity contributes to the objective of stabilisation of greenhouse gas (GHG) concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system by promoting efforts to reduce or limit GHG emissions or to enhance GHG sequestration.
Adaptation	The activity intends to reduce the vulnerability of human or natural systems to the impacts of climate change and climate-related risks, by maintaining or increasing adaptive capacity and resilience. This encompasses a range of activities from information and knowledge generation, to capacity development, planning and the implementation of climate change adaptation actions.
Biodiversity	The activity promotes at least one of the three objectives of the Convention: the conservation of bio-diversity, sustainable use of its components (ecosystems, species or genetic resources), or fair and equitable sharing of the benefits of the utilisation of genetic resources.

[3] http://www.oecd.org/dac/thedevelopmentassistancecommitteesmandate.htm

Desertification	The activity aims at combating desertification or mitigating the effects of drought in arid, semi-arid and dry sub-humid areas through prevention and/or reduction of land degradation, rehabilitation of partly degraded land, or reclamation of desertified land.

Table 2 – Scoring definitions for Rio markers

Rio Marker Score	Definition
Principal	The parameter (e.g. mitigation, adaptation, biodiversity or desertification) is *fundamental* to the design of the intervention and is an explicit objective of the project / programme.
Significant	The parameter (e.g. mitigation, adaptation, biodiversity or desertification) is *important* to the intervention, but *not one of the principal reasons* for undertaking the project / programme.
Not Relevant	The parameter (e.g. mitigation, adaptation, biodiversity or desertification) is *not relevant* to the intervention or the parameter is relevant but the project / programme has a primarily negative impact.

1.4 Overall climate finance for 2018

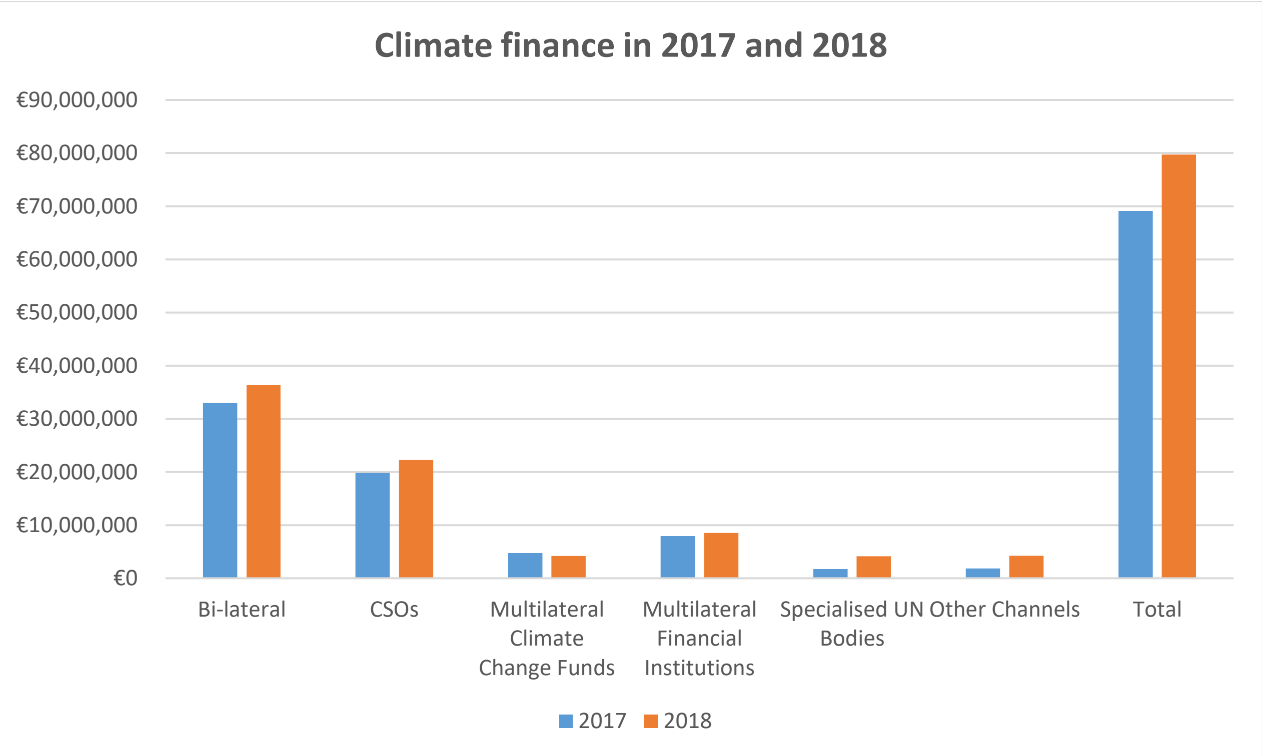
In 2015, the Irish government made a commitment to provide €175 million in international climate finance between 2016 and 2020. This report illustrates that this target has been reached, noting an increase in Ireland's international climate finance from €54 million in 2016 to over €69 million in 2017, and over €79.5 million in 2018.
The overall climate finance provided by Ireland in 2018 was €79,730,051. This figure represents financing provided by the Department of Foreign Affairs and Trade, the Department of Communications, Climate Action and Environment (DCCAE), the Department of Finance, and the Department of Agriculture.
The respective departments provide funding through various channels: bilateral programming, support to Irish CSOs and NGOs that are operating in developing countries, international climate change funds, multilateral financial institutions and other specialised UN bodies.
DFAT provided approximately €64,754,091 of total climate finance in 2018, while DCCAE and Department of Finance provided €6,265,632 and €8,501,578 respectively. The Department of Agriculture provided a small amount towards the overall sum (€208,750).

The 2018 figure represents an increase by approximately 13% in climate finance as compared to 2017, where the overall climate finance provided was €69,133,915. It also represents a steady increase year on year of financial support to international climate action since 2015.

Table 3 – Overall climate finance provided by Ireland's government departments

Channel	DFAT	DCCAE	Department of Finance	Department of Agriculture	Total climate finance
Bilateral Programmes	€36,374,223	€0	€0	€0	€36,374,223
Civil Society Organisations	€22,260,118	€0	€0	€0	€22,260,118
Multilateral climate change funds	€1,000,000	€3,224,000	€0	€0	€4,224,000
Multilateral financial institutions	€0	€0	€8,501,578	€0	€8,501,578
Specialised UN bodies	€1,093,000	€3,041,632	€0	€0	€4,134,632
Other channels	€4,026,750	€0	€0	€208,750	€4,235,500
Total	€64,754,091	€6,265,632	€8,501,578	€208,750	€79,730,051

Graph 1: Comparison of Ireland's climate finance in 2017 and 2018



Summary of Table 3 and Graph 1

Bilateral climate finance in 2018 was notably higher than in 2017; €36,374,223 as compared to €32,996,849. Bilateral aid grew from €437 million in 2017 to €449 million in the same period. However, while there was a net increase in Ireland's bilateral programming, the increase was not seen across all of Ireland's bilateral programmes. In addition, taking into account all of Ireland's bilateral programming, less than 10% of total financing is climate focused. Some of Ireland's missions experienced a drop in climate finance support; for example, in Zambia and Malawi there was a slight decrease on the previous year. In addition, the increase in some Missions can be more accurately attributed to a strengthening of mainstreaming and integration of climate action into the Mission's programming, leading to an application of Rio marker 1 to many of the Mission programmes. For example, in Tanzania more efforts have been made to improve the climate resilience and sensitivity of health and gender equality focused programmes and projects.

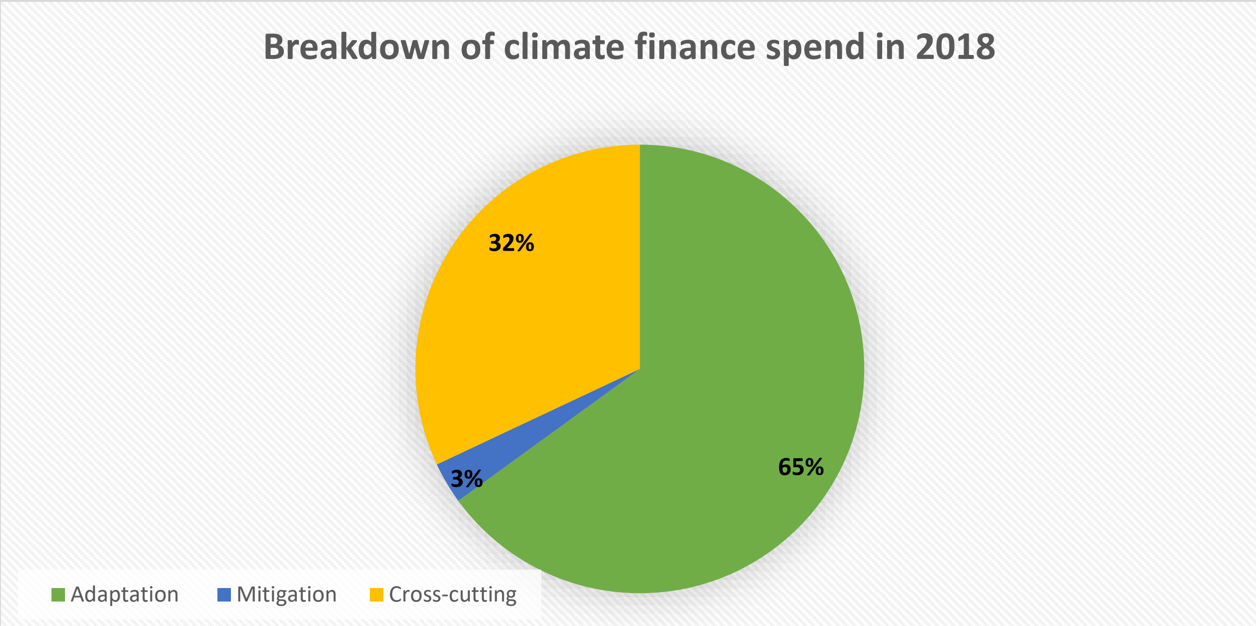
CSO climate finance increased slightly, from €19,839,557 in 2017 to €22,260,118 in 2018. The steady growth in CSO climate finance can be partially attributed to further guidance on Rio markers and deeper scrutiny of the country programmes and projects and how they are integrating climate action.

Multilateral climate finance – funding to multilateral climate funds and international financial institutions – also reported an increase of €1.5 million between 2017 and 2018, with contributions from Department of Finance and Department of Foreign Affairs and Trade leading to the growth.

Breakdown of Ireland's 2018 international climate finance

Similar to previous years, the majority of Ireland's expenditure on climate finance internationally went towards adaptation measures and activities (approximately 65%). Cross-cutting activities received the second biggest share of financing (approximately 32%), while a very small amount of climate finance (approximately 3%) went to mitigation focused projects. The large share of funding to adaptation is reflective of the on-going effort to better integrate climate resilience into development programmes, thus allowing for the steady increase in finance that is marked for climate action. The share of funding going to cross-cutting activities can be attributed to the focus of partnerships and support to multilateral funds and institutions which seek to target both mitigation and adaptation in their respective programming. Mitigation activities were documented in bilateral and NGO programming, mainly supporting initiatives such as the development of green skills, fuel efficiency and access to low-carbon energy.

Graph 2: Breakdown of overall climate finance spend for 2018



2 Bilateral Programming

2.1 Bilateral Methodology

In the preparation of Ireland's 2018 bilateral climate finance overview, DFAT applied the same methodology and reporting templates as that which were developed and applied by AECOM the year previous.

The climate team in DFAT Head Quarters prepared the reporting template using information and financial expenditure noted in DFAT's database of ODA expenditure for the year previous. The template also includes definitions and guidance on Rio markers, and their application for development spending. The template was circulated to respective Missions and Embassies in countries with bilateral assistance programmes. The respective climate change focal points and staff were requested to assess and update the template against the OECD DAC Rio markers, based on their knowledge and clearer understanding of the reported programmes.

The templates were returned to DFAT HQ for further screening and validation. Follow-up calls and correspondence were conducted to clarify certain markers and scoring for different programmes and projects.

Once the templates were finalised, climate finance was calculated for each project and classified as either: adaptation, mitigation or cross-cutting spend to avoid double counting. An overall climate finance figure was then calculated for each country in DFAT's bilateral programme.
In addition to the calculation of climate finance, the same template requests Mission focal points to indicate the extent to which programme funding supported activities that help to protect the environment. In particular, the Rio markers for biodiversity and desertification are included in the template for Mission focal points to fill in where relevant.

2.2 Bilateral climate finance

The total amount of bilateral climate finance provided by DFAT in 2018 was €36,636,320. The 2018 figure represents a 9% increase on 2017. The increase in climate finance from 2017 to 2018 can mainly be attributed to strengthened integration of climate adaptation into broader development programming, particularly in Tanzania and Sierra Leone, as well as the addition of reported programmes in Kenya.

However, there is a small drop in climate related spending in other Missions. The most significant drop in spend was reported by Zambia, which is mainly due to an overall reduction in the budget of the Mission, resulting in a knock-on effect for the climate spend. For other Missions, the reduction is relatively modest, with a margin of between €120,000 and €1.2 million from Mission to Mission.

In 2018, the majority of bilateral climate spending – approximately 88% – went towards climate change adaptation related activities and projects. Mitigation related spending, and activities earmarked as cross-cutting both accounted for approximately 6% respectively of the overall expenditure through bilateral programming.

As Table 4 indicates, Ethiopia and Malawi reported the largest spend on climate related programming. This is down to the size of climate relevant programmes running in those respective countries. Tanzania reported a substantial increase in its climate related spending in 2018, from €2,424,781 in 2017 to €8,400,960, the bulk of which occurred through adaptation related programming. In consultation with the programme managers in Tanzania, it was established that many of the programmes have been re-examined to integrate climate action into activities and partnerships. Efforts were stepped up to bring about climate action co-benefits in programming, as opposed to specifically targeting climate action. Such efforts include capacity-building, vulnerability and risk assessments, and understanding the climate change implications for social inclusion, agriculture health and gender equality programmes. Some Missions reported a notable drop in climate finance, including Zambia and Mozambique. The reduction can be attributed to reduced budgets and slight shift in programming priorities. Other Missions reported a minor reduction in climate financing; Uganda, Malawi and Vietnam.

Table 4 – Overview of bilateral climate finance, 2018

Country	Adaptation	Mitigation	Cross-Cutting	Total
Ethiopia	€12,835,913	€1,138,887		€13,974,800
Malawi	€8,540,473	€258,799		€8,799,272
Tanzania	€7,331,780	€205,800	€863,380	€8,400,960
Vietnam	€1,867,884		€137,200	€2,005,084
Uganda		€1,611.00	€980,000	€981,611
Mozambique	€588,000		€147,000	€735,000
Sierra Leone		€839,877		€839,877
Zambia	€735,996		€3,298	€739,294
Kenya	€160,422			€160,422
Total	€32,060,468	€2,186,175	€2,127,580	€36,374,223

2.3 Bilateral environmental finance

In collecting the overall programme spend for 2018, Mission focal points also provided Rio markers for activities that have contributed to the protection of the environment. In particular, the Rio markers for biodiversity and desertification are included in the template for Mission focal points to fill in where relevant. In addition to the four required Rio markers, an additional marker for Disaster Risk Reduction (DRR) is included in the template.

Table 5 – Overview of bilateral environmental finance, 2018

Country	Biodiversity	Desertification	Disaster Risk Reduction
Ethiopia	€680,000	€0	€10,437,000
Zambia	€544,381	€3,365.00	€328,881
Vietnam	€100,000	€100,000	€1,806,004
Uganda	€50,000	€50,000	€0
Tanzania	€0	€505,000	€4,474,409
Sierra Leone	€820,604	€2,699	€202,699
Mozambique	€200,000	€250,000	€350,000
Malawi	€3,664,897.50	€1,687,447.50	€8,885,715
Kenya	€2,187.60	€515,60	€4,921.60
Total	**€6,062,070**	**€2,598,511.50**	**€26,452,630**

Support to biodiversity protection and tackling desertification in 2018 reduced as compared with the respective areas in 2017, where €6,395,367 was channelled to biodiversity protection, while €5,867,131 was channelled to efforts that helped tackle desertification. However, support to DRR increased in 2018 in comparison to 2017 where the reported spend was €18,425,632, representing a 30% increase in DRR spend. The increase in DRR relevant support can mainly be attributed to the integration of disaster risk management and resilience-building in some of the biggest programme areas of the Mission in Ethiopia.

It should be noted that **the financial support targeting the environmental Rio markers (biodiversity, desertification and DRR) does not signal *additional* financing to that of the overall climate finance figure.** Some of the reported spend signifies programmes and projects that are targeting all of the Rio Conventions: climate action, biodiversity, desertification, as well as Disaster Risk Reduction. Therefore, the figures for the different thematic areas cannot be summed to get one overall climate and environmental finance figure – doing this would lead to the double counting of some of our expenditure.

3 Civil Society Organisation Programming

3.1 CSO methodology

In the preparation of Ireland's 2018 CSO climate finance overview, DFAT applied the same methodology and reporting templates as those which were developed and applied by AECOM the year previous.
The climate team in DFAT HQ liaised with colleagues responsible for overseeing civil society partnerships, providing the reporting template and guidelines to CSOs together with the existing reporting templates that need to be completed by funded organisations. The CSOs were requested to assess their projects and activities and score them against the OECD DAC Rio markers. The templates were returned to DFAT, indicating the level to which various projects supported climate and environmental action.
The climate team followed up with respective CSOs in cases where further clarity or explanation was needed in respect to particular marking.
Once the templates were finalised, climate finance was calculated for each project and classified as either: adaptation, mitigation or cross-cutting spend to avoid double counting.

3.2 CSO climate finance

In 2018, DFAT provided a total of €22,260,118 climate relevant expenditure to civil society organisations. The support was channelled through two grant mechanisms within the Department: Programme Grant which focuses on development projects; and Humanitarian Programming which focuses on supporting humanitarian response measures, including those related to extreme weather events.
As in previous years, adaptation relevant projects received the lion's share of overall funding; €16,531,663 of total funding was channelled to projects that contributed to climate change adaptation. Cross-cutting financing (projects that were both mitigation and adaptation relevant) stood at €5,575,583, while mitigation focused financing was very low at €152,872.

In comparison with 2017, both the overall climate finance figure and the more targeted financing to CSOs remain very similar. There is an increase (2%) in overall financing from 2017, when it was €19,839,557. Adaptation funding increased by 2% from 2017 to 2018, while funding to cross-cutting activities increased by 1.5%. Although mitigation financing was a great deal lower than adaptation and cross-cutting financing, the 2018 figure is almost double what it was in 2017. However, it was channelled through just one civil society partner – Trócaire.

As was the case in 2016 and 2017 respectively, the highest amount of CSO climate finance from DFAT went to Concern – in 2018, it channelled €10,887,194 to adaptation and cross-cutting programmes and projects. Concern is followed by GOAL, Trócaire and Gorta Self Help Africa, with the bulk of their support going to adaptation and cross-cutting projects.

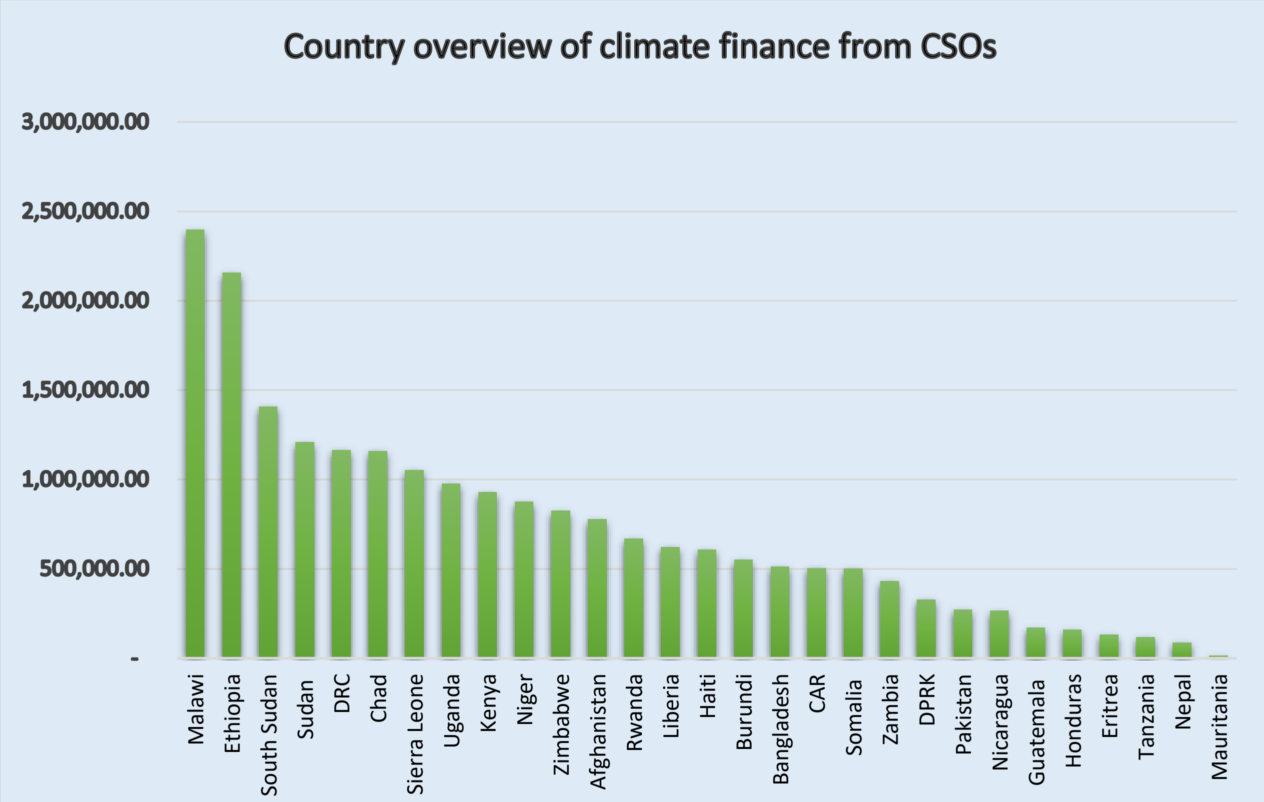
Table 6 – Overview of CSO climate finance, 2018

CSO	Adaptation	Mitigation	Cross-cutting	Total Climate finance
Concern	€6,846,029	€0	€4,041,165	€10,887,194
GOAL	€3,654,950		€391,435	€4,046,385
Trócaire	€3,317,885	€152,872	€751,363	€4,222,120
Gorta Self Help Africa	€1,973,073	€0	€14,988	€1,988,061
Action Aid	€0	€0	€306,552	€306,552
Vita	€166,217	€0	€70,080	€236,297
Oxfam	€467,374	€0	€0	€467,374
World Vision	€66,796	€0	€0	€66,796
Plan International	€39,339	€0	€0	€39,339
Total	**€16,531,663**	**€152,872**	**€5,575,583**	**€22,160,118**

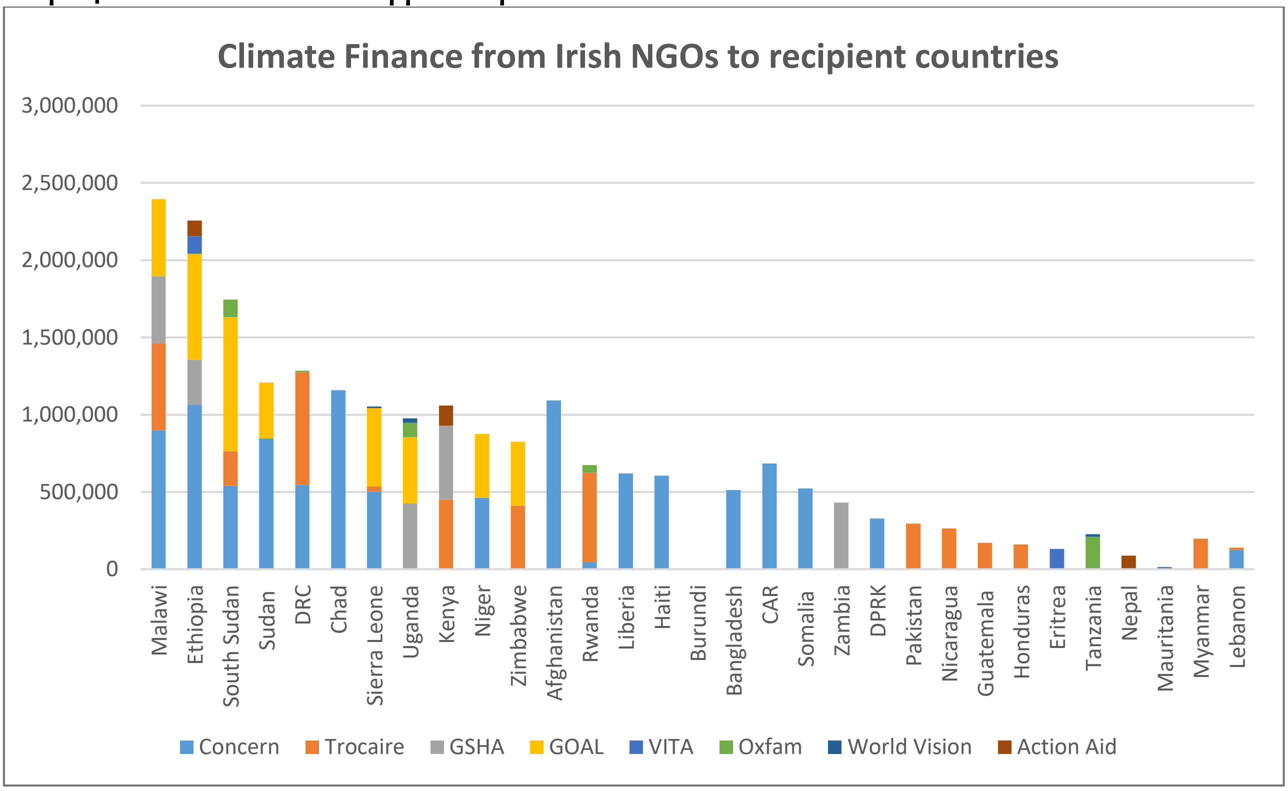
Beneficiary countries of CSO funding and operations are mainly located in the African continent.
As was found in last year's climate finance report, the majority of climate related funding through Irish CSOs went to Malawi, Ethiopia, South Sudan, Sudan, Chad and the Democratic Republic of Congo (DRC). Most of the funding in these countries was reported as either adaptation and cross-cutting, or adaptation only.
As with Ireland's bilateral programming, the majority of CSO activities supported resilience building to climate change, thus allocating Rio markers for adaptation. Much of these activities take place in countries that are highly vulnerable to climate change impacts, both geographically and socio-politically. Their geographical location places many countries at adverse risk of weather-related events such as multi-year drought, cyclones, hurricanes and floods. The institutional and governance systems of many countries struggle to withstand and protect their people against the weather-related events and their multiple impacts. As such, resilience-building of local and national systems, community engagement, and sectoral based adaptation are key focus areas of CSO efforts in partner countries.
There is some degree of cross-cutting activity by organisations, with minimal specific support channelled to climate mitigation.

DFAT operates strategic partnerships in eight countries – Ethiopia, Malawi, Mozambique, Uganda, Sierra Leone, Vietnam, Tanzania, South Africa and Zambia. Six of these countries were supported through activities and projects by CSOs: Ethiopia, Malawi, Uganda, Sierra Leone, Tanzania, and Zambia. Organisations such as GOAL, Concern and Trócaire funded projects that reported climate action co-benefits in Central America and Asia; including Haiti, Honduras, Guatemala, Nicaragua and Pakistan.

Graph 3: Country support from Irish CSOs



Graph 4: Breakdown of CSO support to partner countries



3.3 CSO environmental finance

In collecting the overall programme spend for 2018, CSOs also provided Rio markers for activities that have contributed to the protection of the environment. In particular, the Rio markers for biodiversity and desertification are included in the template for CSO staff to fill in where relevant. In addition to the four required Rio markers, an additional marker for Disaster Risk Reduction is included in the template. This marker was mainly applied in reporting of humanitarian related expenditure, particularly from Concern, Trócaire and Oxfam.
Through the support from DFAT, the Irish CSOs working in developing countries channelled €7,820,483 to biodiversity protection, €4,913,961 to tackling desertification, and €2,815,445 to supporting Disaster Risk Reduction efforts.

Table 7 – Overview of CSO spend on environmental protection and DRR

CSO	Biodiversity	Desertification	Disaster Risk Reduction
Concern	€1,983,358	€2,098,884	€1,000,763
GOAL	€42,614	€42,614	€0
Trócaire	€3,904,732	€1,884,928	€616,316
Gorta Self Help Africa	€1,391,327	€568,210	€969,575
Action Aid	€319,325	€319,325	€0
Vita	€0	€0	€0
Oxfam	€165,995	€0	€228,791
World Vision	€13,132.90	€0	€0
Plan International	€0	€0	€0
Total (Euro million)	**€7,820,483**	**€4,913,961**	**€2,815,445**

The 2018 figures illustrate a small increase (over 7%) in support to biodiversity protection as compared to 2017 when the reported figure was €6,770,860. There was no reported financial support to DRR in 2017; as such, the reported total of €1,550,355 indicates a positive trend in tracking financial support that helps to address DRR. However, financing that supported efforts to tackle desertification reduced from 2017, when the figure was €5,604,267.

It should be noted that **the financial support targeting the environmental Rio markers (biodiversity, desertification and DRR) does not signal *additional* financing to that of the overall climate finance figure.** Some of the reported spend signifies programmes and projects that are also targeting biodiversity, desertification and Disaster Risk Reduction. Therefore, the figures for the different thematic areas cannot be summed to get one overall climate and environment finance figure – doing this would lead to the double counting of some of our expenditure.

4 Multilateral Programming

4.1 Multilateral methodology

In 2017, DFAT's climate finance reporting for the first time applied the OECD methodology to help calculate how much of Ireland's multilateral contributions to international organisations and institutions can be counted as climate finance. For the 2018 climate finance report, we pursued a similar exercise as the 2017 report and applied the OECD methodology to assess multilateral programming that is climate relevant.

The overview includes disbursements to multilateral climate change funds, multilateral financial institutions, specialised UN funds, and other climate relevant expenditure from the Department of Foreign Affairs and Trade, the Department of Communications Climate Action and Environment (DCCAE), the Department of Finance and the Department of Agriculture.

4.2 Multilateral climate finance

In 2018, the total amount of climate finance provided by Ireland through multilateral funding was €17,922,128. This represents a 9% increase in multilateral climate financing in comparison to 2017 which reported €16,297,509 for the same programming. The majority – over €16million – of multilateral programming support was channelled to cross-cutting efforts, thus addressing both climate adaptation and mitigation.

In order to calculate multilateral contributions from Ireland through international organisations and institutions, we use the shares[4] (through percentages) that the OECD has developed and provided to donor countries. The shares are applied to a number of major international organisations and funds; Table 8 summarises those used to calculate multilateral climate finance contributions from Ireland for 2018. For example, the Asian Development Bank (ADB) reports a spend of 22% of its portfolio on climate according to the OECD, and DFAT contributed €3,400,000 to the ADB in 2018; as such, €748,000 is counted as climate spend.

As per the OECD guidance, payments to the Montreal Protocol, UNFCCC and IPCC were included in the multilateral climate finance total in 2018, following on from the 2017 report. In the years previous to 2017, finance that Ireland had provided to these organisations was not included in Ireland's climate finance report.

[4] These shares are referred to as 'Preliminary status of MDBs and other International Organisations' reporting to the OECD-DAC

Graph 5: Overview of climate finance provided through multilateral institutions

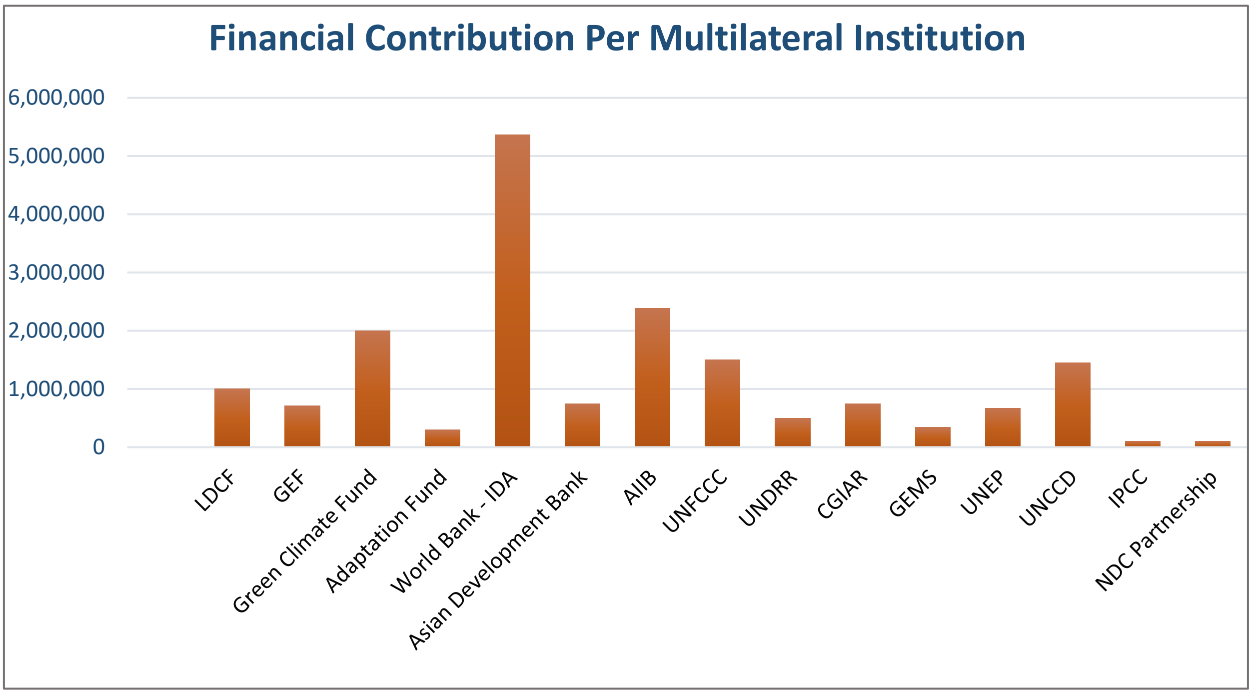


Table 8 – International organisations and financial institutions that Ireland provided finance to in 2018, applying the shares provided by the OECD

International Organisation	Total finance provided by Ireland	Climate-related share allocated	Climate relevant finance
Green Climate Fund	€2,000,000	100%	€2,000,000
Global Environment Facility (GEF) - Core	€1,400,000	66%	€924,000
GEF – Least Developed Countries Fund	€1,000,000	100%	€1,000,000
Adaptation Fund	€300,000	100%	€300,00
World Bank – International Development Association	€24,390,000	22%	€5,365,800
Asian Development Fund	€3,400,000	22%	€748,000
Asian Infrastructure & Investment Bank	€4,591,881	52%	€2,387,778
UNFCCC	€1,498,138	100%	€1,498,138
IPCC	€100,000	100%	€100,000

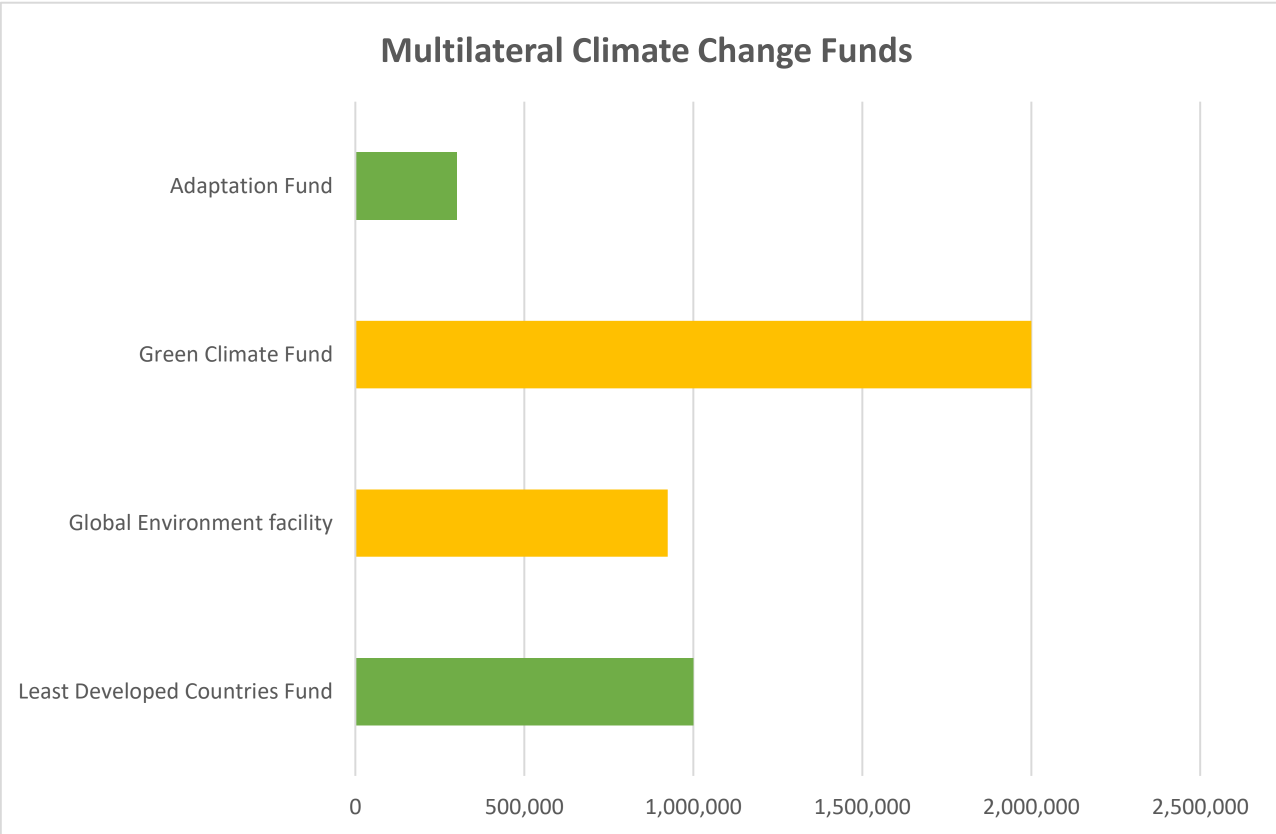
4.3 Multilateral climate change funds

Multilateral climate change funds are funding mechanisms which have been established for the purposes of supporting international and national climate action. Some funds, in particular the Global Environment Facility (GEF) are mandated to finance the work and effort of the three Rio Conventions – tackling climate change, desertification and biodiversity loss. The GEF also oversees the work of the Least Developed Countries Fund (LDCF) which specifically targets support to Least Developed Countries and oftentimes for climate change adaptation projects.

The Green Climate Fund (GCF) has been especially set up to serve the international climate convention and more recently the objectives of the Paris Agreement on Climate Change. It is mandated to support both mitigation and adaptation efforts; to this end, Ireland's support of the GCF is noted down to be cross-cutting. Recognising the gap in international financial support to climate change adaptation, the Adaptation Fund was established to focus support on adaptation projects and programmes in developing countries.

In 2018, Ireland provided €4,224,000 to the four multilateral climate change funds identified. This represents a small drop in funding, down from €4,766,280 in 2017.

Graph 6: Multilateral Climate Change Funds Supported in 2018



4.4 International and multilateral financial institutions

For the 2018 climate finance report, Ireland has counted payments to multilateral financial institutions such as the World Bank, the Asian Development Bank and the Asian Infrastructure and Investment Bank. Ireland's contributions to international financial institutions does not obligate them to spend a specific or targeted amount to climate related programmes or projects. However, in recent years, many international financial institutions have increased efforts to ensure that a minimum amount of their development funding is channelled to climate action.

The largest share of climate related funding was channelled through the World Bank to the amount of €5,365,800. The funding went specifically to its International Development Association (IDA). The IDA focuses its funding on development programmes in LDCs, providing concessional financing that targets poverty and inequality. As displayed in Table 8, at least 22% of IDA funding targets climate action. Following the World Bank is the Asian Infrastructure and Investment Bank, with provision of €2,387,778 to climate related projects; and then the Asian Development Bank with €748,000. The climate financing of the financial institutions has been categorised as cross-cutting.

4.5 Specialised UN bodies

Ireland supported a number of specialised UN bodies that contribute to both broader and more specific efforts of international climate action. For example, the Department of Communications Climate Action and Environment (DCCAE) supported core support for the operations of the UN Secretariat; while DFAT supported the UN Framework Convention on Climate Change (UNFCCC) specifically for its work on gender equality and for Least Developed Expert Group (LEG) which is a constituted body of the UN Climate Convention.[5]

Other bodies that we have supported for their contribution to international climate action include UN Environment, the UN Convention to Combat Desertification (UNCCD), and the Intergovernmental Panel on Climate Change (IPCC). A full overview of support is laid out in the Table 9. Similar to the other multilateral channels of support, the specialised UN bodies' funding mainly supports cross-cutting activities; the only exception is the UN Office for Disaster Risk Reduction (UNDRR) which focuses on resilience-building and climate adaptation.

[5] Constituted Bodies are technical bodies that are membership based, nominated by Parties to the UN and with a mandate to support specific working areas of the climate Convention. The Least Developed Countries Expert Group (LEG) is one such body, with the objective of supporting the preparation and implementation strategies of national adaptation programmes of action.

Table 9 – Overview of support through Specialised UN Bodies

UN Body	Adaptation	Mitigation	Cross-Cutting	Total
UNFCCC Core	€0	€0	€105,138	€105,138
UNFCCC Gender & LEG	€0	€0	€543,000	€543,000
UNFCCC Trust Fund for Supplementary activities	€0	€0	€850,000	€850,000
UNDRR	€500,000	€0	€0	€500,000
UNCCD	€0	€0	€1,250,000	€1,250,000
UN Environment	€0	€0	€669,412	€669,412
UNECE	€0	€0	€17,082	€17,082
IPCC	€0	€0	€100,000	€100,000
NDC Partnership	€0	€0	€100,000	€100,000
Total	**€500,000**	**€0**	**€3,634,632**	**€4,134,632**

In comparison to 2017, overall support to specialised UN bodies has increased significantly – from €1,717,466 to €4,134,632. This can be attributed the scaling up of support to a number of UN bodies, in particular the UNFCCC and UNCCD.
Funding to the UNFCCC increased from €94,417 to €1,498,138, realised through providing core funding to the Secretariat and financial support to the gender team of the UNFCCC. Similarly, Ireland provided €1,450,000 to the UNCCD in 2018; in 2017, no funding was provided to UNCCD.
With that being said, support was not channelled to the Montreal Protocol in 2018, while support for the IPCC and UNDRR remained the same as the year previous.

5 Other Channels of climate finance

The climate team in DFAT maintains a small number of partnerships that are funded to support international climate action. The portfolio includes partners who provide technical input and expertise to support DFAT's international climate engagement. Some of these partners also address specific climate needs in LDCs and SIDS. The organisations funded in 2018 were the International Institute for Environment and Development, World Resources Institute, the Caribbean Catastrophe Risk Insurance Facility (CCRIF), and the Secretariat of Pacific Regional Environment Programme (SPREP).

In addition, other channels of climate relevant support in 2018 were reported by DFAT's Agriculture Team and the Department of Agriculture, Fisheries and Marine; the Food and Agriculture Organisation (FAO), CGIAR (Consultative Group for International Agriculture Research), the Africa Agrifood Development Programme (AADP) and GEMS (the Global Environment Monitoring Systems). FAO and the AADP funded projects that supported climate resilience and adaptation in agriculture and food systems in developing counties. UNEP GEMS water provides global data on fresh water quality. DFAT support is focused on supporting GEMS work in Africa and on building the capacity of African countries to monitor and report on fresh quality.

Table 10 outlines the amounts provided to the various 'other channels' of support highlighted above, including the main focus of support – adaptation, mitigation and/or cross-cutting.

Table 10 – Overview of other channels of climate finance support

Organisation	Adaptation	Mitigation	Cross-Cutting	Total
IIED	€0	€0	€1,100,000	€1,100,000
WRI	€0	€0	€600,000	€600,000
CCRIF	€1,000,000	€0	€0	€1,000,000
SPREP	€0	€0	€115,000	€115,000
FAO	€0	€0	€90,000	€90,000
AADP	€0	€0	€237,500	€237,500
CGIAR	€0	€0	€750,000	€750,000
GEMS	€0	€0	€343,000	€343,000
Total	**€1,000,000**	**€0**	**€3,235,500**	**€4,235,500**

6 Conclusion

6.1 Ireland's climate finance in 2018

While climate finance expenditure in 2018 increased from 2016 and 2017, the overall direction of support has largely been channelled towards the same objectives. DFAT adopted the same methodology as that which was applied in 2017, thus counting in other channels of support beyond bilateral, NGO and the international climate change funds. Taking the recommendation of last year's report, we have included the financing to multilateral financial institutions which are stepping up their efforts to increase the share of climate finance in their overall funding portfolios. With that being said, it is also important to maintain a conservative approach, and apply the OECD methodology for multilateral financing appropriately. Doing so will help to avoid overstating the share or level of Ireland's funding that is going to climate action.

When assessing the 'net' financing distributed, there were marginal increases across all the different channels of financing: bilateral, multilateral, NGOs, international climate funds, and through Ireland's partnerships with other civil society organisations, research institutions and thematic agencies.

6.2 Future climate finance: preparation & reporting

The government of Ireland has placed climate action among the four major policy priorities in its international development policy *A Better World*.[6] In the policy we commit to scale up our funding on climate action and explore innovative approaches to climate finance, risk insurance and climate adaptation. This will require a significant step-change both within the DFAT and across other government departments, to ensure that international programming and diplomacy support effective climate change mitigation and adaptation actions. An important backdrop to this effort is the objective of *A Better World* to reach the 'Furthest Behind First', ensuring that Ireland's international climate action meets the needs of the most marginalised people and communities in the countries where Ireland is present.

The step-change required for Ireland's future action can be realised through continued efforts and best practices to scale up effective climate finance, and integrate climate action into key processes and decisions, both across DFAT and other government departments. This includes the planning, design and implementation of partnerships and programmes in DFAT Headquarters and throughout Ireland's Missions and Embassies.

The provision of climate change guidance at the strategy and programme development level remains key to effective climate action. Integrating climate adaptation and mitigation at the planning stage will ensure that the climate finance provided by Ireland continues to grow, particularly as the impacts of climate risks and disasters become increasingly pressing and important to address in recipient countries.

[6] https://www.irishaid.ie/about-us/policy-for-international-development/

Glossary

AADP – Africa Agri-food Development Programme

ADB – Asian Development Bank

AF – Adaptation Fund

AIIB – Asian Infrastructure and Investment Bank

CCRIF – Caribbean Catastrophe Risk Insurance Facility

CGIAR – Consultative Group for International Agriculture Research

CSO – Civil Society Organisation

DCCAE – Department for Communications, Climate Action and the Environment

DFAT – Department of Foreign Affairs and Trade

FAO – Food and Agriculture Organisation

GEMS – Global Environment Monitoring Systems

GCF – Green Climate Fund

GEF – Global Environment Facility

IIED – International Institute for Environment and Development

IPCC – Intergovernmental Panel on Climate Change

LDCF – Least Developed Countries Fund

LEG – Least Developed Countries Expert Group

NGO – Nongovernmental Organisation

OECD – Organisation for Economic Cooperation and Development

SPREP – Secretariat for the Pacific Regional Environment Programme

UNCCD – United Nations Convention to Combat Desertification

UNDRR – United Nations Office for Disaster Risk Reduction

UNECE – United Nations Economic Commission for Europe

UNFCCC – United Nations Framework Convention on Climate Change

WB-IDA – World Bank International Development Association

WRI – World Resources Institute