Mobilised private (climate & biodiversity) finance report 2020

Final Report

Trinomics

Contract details

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Presented by

Trinomics B.V.
Westersingel 34
3014 GS Rotterdam
The Netherlands

Contact person

Tessa Zell
T: +31 (0)6 13425864
E: tessa.zell@trinomics.eu

Authors

Hans Bolscher
Tessa Zell
Lisa Korteweg
Joris Moerenhout

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Authors:

Hans Bolscher

Tessa Zell

Lisa Korteweg

Joris Moerenhout

TEC8219NL

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1 Introduction

1.1 Background

The **Mobilised Private (Climate & Biodiversity) Finance Report 2020** provides an overview of the private finance mobilised for development, climate and biodiversity action by interventions of the Netherlands Ministry of Foreign Affairs.

The contribution of the private sector has received increasing attention in the field of international development finance. The Organisation for Economic Co-operation and Development (OECD) states that the need to mobilise private resources is at the heart of discussions around financing the Sustainable Development Goals (SDGs), including to combat climate change.[1] Particularly in the context of the Covid-19 pandemic, the need for international development and climate finance has increased, as impacts have been most severe on emerging markets and developing economies.[2] These countries have suffered large losses of revenue with knock-on effects on their fiscal and debt positions. 54% of low-income countries are deemed to be in debt distress or at high risk of debt distress as of September 2020, a trend likely to continue into 2021.

The Dutch Ministry of Foreign Affairs (MFA) is continuously working to find ways to measure the private mobilisation of its public finance for climate and development. Based on the *Joint Donor Statement on Tracking Progress towards the $100 billion goal*[3], the Netherlands MFA started in 2016 with its reporting on climate finance for development. Through this statement, the Netherlands committed itself together with 18 other donors to the goal of "Jointly mobilising $100 billion a year by 2020 from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources of finance". This goal was reiterated and extended until 2025 at the COP21 in Paris. A new and higher goal is likely to be set after this period. Although for biodiversity such a goal does not (yet) exist, biodiversity finance is critical for delivering the transformative changes needed to halt and reverse the loss of biodiversity and ecosystem services.[4]

The Development Assistance Committee (DAC) of the OECD developed a methodology to measure the volume of **private finance mobilised by official development finance interventions** that contributes to the SDGs. First steps have been made with the publication of the report '*Climate finance in 2013-14 and the USD 100 billion goal*', that was published that same year as the Joint Statement.[5]

[1] OECD (2019). Amounts mobilised from the private sector for development. Retrieved from: https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/mobilisation.htm
[2] Independent Expert Group on Climate Finance (2020). Delivering on the $100 billion climate finance commitment and transforming climate finance. Retrieved from: https://www.un.org/sites/un2.un.org/files/100_billion_climate_finance_report.pdf
[3] Joint Statement on Tracking Progress Towards the $100 billion Goal by Joint Statement on Tracking Progress Towards the $100 billion Goal by Australia, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Poland, Sweden, Switzerland, United Kingdom, United States, and the European Commission (2015). Retrieved from: http://www.news.admin.ch/NSBSubscriber/message/attachments/40866.pdf
[4] OECD (2020). A Comprehensive Overview of Global Biodiversity Finance. Retrieved from: https://www.oecd.org/environment/resources/biodiversity/report-a-comprehensive-overview-of-global-biodiversity-finance.pdf
[5] OECD (2015). Climate finance in 2013-14 and the USD 100 billion goal. Retrieved from: http://www.oecd.org/environment/cc/OECD-CPI-Climate-Finance-Report.pdf

In 2016, OECD DAC carried out a survey to pilot the methodologies for specific financial instruments. The results of this effort were published in 2017 in the report *Amounts Mobilised from the Private Sector by Official Development Finance Interventions*.[6]

The OECD DAC is continuously elaborating its methodology to facilitate measurement of the mobilisation of private finance. By 2020, seven reporting methodologies for leverage mechanisms had been developed by OECD DAC: [7]

1. Guarantees;
2. Syndicated loans;
3. Direct investments in companies;
4. Shares in Collective Investment Vehicles (CIVs);
5. Credit lines;
6. Simple co-financing arrangements (grants and loans);
7. Project finance Special Purpose Vehicles (SPVs).

The reporting methodologies for these instruments are discussed in detail in Annex B of this report.

Scope and objectives of the report

The objectives of this year's report are threefold: (1) to calculate the mobilised private finance for development, (2) to calculate the mobilised private climate finance and, for the first time this year, (3) to calculate mobilised private biodiversity finance.

The first figure will be used for the indicator **'the amount of mobilised private finance'** in the results framework of the MFA. This indicator presents the aggregated private finance mobilised by funds and programmes of the Directorate-General International Cooperation (DGIS). The MFA used this indicator for the first time when collecting data for its reporting on results in 2018 to the Dutch Parliament. In addition to the integrated national reporting, the calculations of the mobilised private finance for development may be used to support the MFA's future reporting to the OECD DAC.

The figure of **the mobilised private climate finance** will support the MFA in three different reporting cycles on climate finance: the national report of the Homogenous Budget for International Cooperation (HGIS-nota), the reporting to the European Union under the Monitoring Mechanism Regulation (MMR)[8] and the reporting to the United Nations Framework Convention on Climate Change (UNFCCC).

The figure of **mobilised private biodiversity finance** was piloted for the first time in 2020. It may possibly be used for reporting of the Dutch efforts to finance international biodiversity under the Convention on Biological Diversity (CBD).

[6] OECD (2017). Amounts Mobilised from the Private Sector by Official Development Finance Interventions. Retrieved from: http://dx.doi.org/10.1787/8135abde-en
[7] OECD DAC (2020). DAC methodologies for measuring the amounts mobilised from the private sector by official development finance interventions. Retrieved from: https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC-Methodologies-on-Mobilisation.pdf
[8] From 2021 onwards, the Monitoring Mechanism Regulation will be followed up by the Governance Regulation for climate finance reporting to the European Union.

1.2 Mobilised private finance in 2020 – Overview of results

Table 1-1 shows the overall amounts of total private finance mobilised by the Netherlands in 2020, and the amounts of mobilised climate and biodiversity finance. Table 1-2 gives a more detailed overview of the mobilisation.

For the interpretation of the data, it should be noted that the total figures for mobilised private development finance, climate finance and biodiversity finance *cannot* be added up and need to be used for different reporting purposes only. One reason for this is that FMO-A, PIDG and the Multilateral Development Banks (MDBs) have only been taken into account for the reporting on private *climate* finance. Therefore, the 'private finance for development' is not measured for these institutions. Another explanation is that financial flows can be marked as having mobilised finance for climate as well as biodiversity benefits. According to the OECD DAC Riomarker methodology[9], the figures for climate and biodiversity need to be presented as separate results to avoid double-counting of financial flows. In the detailed sections on the funds and programmes (sections 3-7) we isolate the climate and biodiversity finance as part of the total private finance when applicable.

Although the number of funds and programmes that have been included in the reporting for 2020 has increased compared to 2019, some of the funds saw lower mobilisation rates which resulted in the decrease in mobilised private *climate* finance. Fund- and programme managers indicated that many projects during 2020 were severely hampered due to the Covid-19 crisis.

For the figures in this report, we provided data cleaning and validated all the figures with the reporting organisations before publication. It is out of scope of the report to analyse whether the leverage of private (climate and biodiversity) finance reported by the organisations is justified and why figures tend to be lower or higher between subsequent years.

Table 1-1 Mobilised private finance for development, climate and biodiversity by Dutch public funding in 2020 (€ million)

	Mobilised private development finance by NL	Mobilised private climate finance by NL	Mobilised private biodiversity finance by NL
Mobilised by Dutch programmes and funds	240.808	99.382	6.181
Mobilised by multi-donor programmes and funds*	184.005	153.591	5.930
Mobilised by Multilateral Development Banks	*Not measured*	324.634	*Not measured*
Mobilised by FMO A	*Not measured*	14.065	*Not measured*
Total	**424.813**	**591.672**	**12.111**

** PIDG transactions are not included in the calculations for 'mobilised private development finance by NL' (See section 4.4. of this report for more information).*

[9] OECD DAC Rio Markers for Climate Handbook (2016). Retrieved from: https://www.oecd.org/dac/environment-development/Revised%20climate%20marker%20handbook_FINAL.pdf

Table 1-2 Total mobilised private finance per programme for development and climate by Dutch public funding in 2020, disaggregated (€ million)

Per program and instrument	2020			
Programme (#actvity number)	Commitment NL to programmes which mobilised private finance	Mobilised private development finance by NL	Mobilised private climate finance by NL	Mobilised private biodiversity finance by NL
Multi-donor funds and programmes	**224.120**	**184.005**	**153.591**	**5.930**
GCF (27119)	25.998	15.095	15.095	-
GEF (27173)	20.938	5.479	5.479	-
GWSP (29380)	0.002	0.599	0.240	-
GAFSP (23294)	4.390	0.905	0.134	-
Global SME Finance Facility (27841)	0.931	0.044	-	-
PSD in MENA (4000003040)	4.829	5.683	5.683	-
IDH ISLA (25884)	1.555	0.355	0.355	-
Sustainable Trade Initiative (IDH) (27092)	8.177	17.147	7.549	-
IDH Farm Fit Fund (4000002783)	50.000	22.917	9.167	-
One Acre Fund (29032)	13.170	14.826	5.930	5.930
GAIN (4000003934)	9.012	1.088	-	-
PIDG (8848)	2.975		4.091	-
Climate Investor One (CIO) (24463)	82.145	99.867	99.867	-
Dutch Programmes	**267.827**	**240.808**	**99.382**	**6.181**
DGGF - Track 1 (RVO) (26663)	31.271	23.939	-	-
DGGF - Track 2 (Triple Jump) (26664)	68.045	17.739	-	-
DGGF - Track 2 (Triple Jump) Seed Capital (26854)	7.107	28.556	-	-
Solidaridad Advocacy for Change (27545)	0.028	0.028	0.011	0.011
Solidaridad practice for Change (28819)	0.382	1.590	0.636	-
Orange Corners (PSD Toolkit) (4000002092)	0.438	0.332	-	-
Sustainable Development Goals Partnership (4000001360)	24.389	11.402	4.561	-
Aqua for All (26962)	4.218	15.575	-	-
Geodata for Agriculture and Water (25484)	7.818	3.219	3.219	-
CRAFT (4000000819)	4.537	26.695	26.695	-
2SCALE (4000002015)	12.026	15.043	6.017	6.017
DFCD (4000000066)	22.534	11.959	11.955	0.153
Clean Cooking Alliance (4000002627)	0.327	1.131	1.131	-
AGRI3 (4000002910)	6.892	13.170	5.268	-
HIF CarePay (4000001129)	4.900	8.112	-	-
HIF (28079)	9.750	15.873	-	-

Per program and instrument	2020			
State Funds	**63.165**	**46.444**	**39.888**	**-**
AEF-I (4000002350)	9.356	0.627	0.627	-
MASSIF (24949)	24.182	21.044	17.240	-
Building Prospects (3278)	29.627	24.773	22.021	-
Climate finance mobilised by NL through MDBs, FMO-A:				
Multilateral Development Banks	-	-	**324.634**	-
FMO A	-	-	**14.065**	-
		Mobilised private development finance by NL	**Mobilised private climate finance by NL**	**Mobilised private biodiversity finance by NL**
Total		**424.813**	**591.672**	**12.111**

1.3 Changes since the 2019 report

This report diverts from the previous Trinomics report (2019) on mobilised private finance in the following ways:

- **Reporting for biodiversity:** for projects that are marked as relevant for biodiversity based on the Riomarker methodology, the private finance mobilised for biodiversity has been calculated.

- **Increase in number of funds and programmes:** the number of programmes and funds that mobilised private finance was 32 in 2020 compares to 22 in 2019 (excluding FMO-A and the MDBs).

- **Reporting on geographical distribution and sectors:** funds and programmes were asked to report on the recipient country and the sector for which private finance was mobilised. This approach was considered a pilot for this year and has not been included in this publication.

- **Change in methodology of PIDG to better reflect the OECD methodology:** the 2019 report included the 2018 private mobilisation numbers as the information on mobilised private finance in 2019 was not yet available. For reporting in 2020, non-audited figures were made available to the NL MFA for the same year. To correct for the delay in reporting and reflect the OECD methodology, it was decided to include the mobilised private climate finance in 2020. Note that as a result, the 2019 data is not reported.

2 Mobilised finance: what to measure

2.1 Applying OECD DAC reporting methodologies in practice

In this report, the OECD DAC report instructions for the methodologies for seven different financial instruments are applied to estimate mobilise private finance by the Netherlands.[10,11] These instruments are listed below and explained in more detail in Annex B:

1. Guarantees
2. Syndicated loans;
3. Direct investments in companies
4. Shares in Collective Investment Vehicles (CIVs);
5. Credit lines;
6. Standard grants & loans in simple co-financing arrangements
7. Project finance Special Purpose Vehicles (SPVs).

Some components of the OECD DAC methodology remain multi-interpretable and some components are difficult to match with the actual structure of certain Dutch programmes. To respond to this, Trinomics developed instructions to report on Mobilised Private (Climate and Biodiversity) Finance which was shared with all the relevant programmes and funds for this year's reporting. The instructions are based on the OECD DAC methodologies and help fund and programme managers to correctly fill in the OECD DAC Excel template for reporting on private mobilisation.

Box 2-1 Ongoing development in reporting instructions

The OECD DAC Working Party on Development Finance Statistics (WP-STAT) is continuously elaborating its methodology to facilitate measurement of the mobilisation of private finance, with the last update in 2020. [12] Aside from improving the reporting instructions, WP-STAT is continuously working on methodologies to measure more indirect "catalytic effects" of public interventions, such as grants for policy support, technical assistance and feed-in-tariffs development. It is, however, recognised that it is very difficult to measure the catalytic effect statistically and that the results are susceptible to double counting. Indirect mobilised private finance is therefore not included in the report.

2.2 Basic principles

Although the methodologies differ per instrument, there are a few basic elements applicable to all of them. These can be summarised by the following basic principles:

1. All public bodies that provide public interventions for an activity have a share in the mobilisation of the private finance for this activity. Public bodies can also originate in developing countries;
2. Mobilised private finance is divided amongst the public bodies, so that the same flow is not double counted;

[10] OECD DAC (2019). Measuring and reporting on mobilisation.
[11] OECD (2020). DAC methodologies for measuring the amounts mobilised from the private sector by official development finance interventions
[12] OECD (2020). DAC methodologies for measuring the amounts mobilised from the private sector by official development finance interventions

3. Public bodies that invest in the riskiest tranches (e.g. equity) of an investment or company are attributed a larger share of the mobilised private finance than public bodies that invest in lower risk tranches (e.g. senior debt);
4. Financial flows are counted at the point of commitment;
5. When possible, we report at both the fund and the project level;
6. The default method[13] to estimate the climate and biodiversity relevance of public investment is the OECD Rio marker definition for climate change and biodiversity[14]. Climate Rio marker method assesses whether climate mitigation and/or adaptation is considered a principle or significant objective in a certain project (or programme if information is not available at project level). In case climate mitigation or adaptation is the principle objective, a project is considered 100% climate relevant. In case climate mitigation or adaptation is a significant objective, a project is considered 40% climate relevant. If a project is 40% climate relevant, the mobilised private finance is multiplied by 0.40 in order to attribute the mobilised private climate finance. The same Riomarker approach is used for biodiversity.
7. Note that, based on the Riomarker methodology, it is possible to fill in values for both Biodiversity and for Climate Mitigation and/or Adaptation (e.g., Adaptation = 2 (100%); and Biodiversity = 1 (40%)). This is why the figures for climate and biodiversity are not added up in our analysis, so double counting will be avoided.

The Netherlands uses various public interventions to mobilise private finance. It mobilises private finance through programmes which are managed from within the Netherlands, through multi-donor funds (e.g. the Green Climate Fund), through the Dutch Development Finance Institution FMO and through the MDBs. For all instruments, it is assumed that the private investment would not have taken place without the public intervention and additionality is guaranteed. In chapters 3-7, we discuss the mobilised private finance per programme and fund type, starting with the Dutch programmes and funds, followed by multi donor programmes and funds and the multilateral climate funds. Lastly, we analyse mobilised private finance through the MDBs.

[13] For FMO, a different methodology was applied which is closer to the MDB method. This is explained in detail in Section 6.
[14] OECD DAC Rio Markers for Climate Handbook (2016). Retrieved from: https://www.oecd.org/dac/environment-development/Revised%20climate%20marker%20handbook_FINAL.pdf

3 Dutch programmes and funds

3.1 Facilities with a public private component: Aqua for All, G4AW, PSD Toolkit, SDGP Partnership

OECD DAC methodology used: Standard grants/loans

The Netherlands has numerous programmes with public-private financial elements that can potentially mobilise private finance. The following programmes were identified to mobilise private finance in 2020:

1. Aqua for All (26962)
2. Geodata for Agriculture and Water (G4AW, 25484)
3. Sustainable Development Goals Partnership (SDGP, 4000001360)
4. Orange Corners (PSD Toolkit) (4000002092)
5. CRAFT (4000000819)
6. Clean Cooking Alliance (4000002627)
7. 2SCALE (4000002015)

The facilities encourage public-private partnerships by forming collaborative ventures with government bodies, enterprises and Non-Governmental Organisations (NGOs) or knowledge institutes, together with the Netherlands MFA.

The **Aqua for All** 'Making Water Count' Programme runs between July 2019 and 2024 and makes new commitments regularly. The programme aims to increase the needed private capital to bridge the service and finance gap in the water and sanitation economy in Africa and Asia. The programme creates an enabling environment for innovative ideas to scale up and use funds to facilitate public and private investments in viable water and sanitation solutions.

The **G4AW** programme is executed by the Netherlands Space Office (NSO). It is aimed at improving the output of the agriculture, pastoral and fishing sector in 26 partner countries by providing food producers with relevant information, advice or (financial) products by using geodata (satellite and mobile data). The programme promotes and supports private investments for large scale, demand driven, and satellite-based information services targeted at actors in the food production chain. The G4AW projects are 100% relevant for climate adaptation.

The **Sustainable Development Goal Partnership (SDGP)** is financed by the Netherlands MFA and executed by the Netherlands Enterprise Agency (RVO). The programme is aimed at the SDGS 2 (ending hunger), 8 (decent jobs and economic growth) and 17 (partnerships for the goals).[15] The projects financed by SDGP are 40% relevant for climate adaptation.

Another programme managed by RVO is **Orange Corners (PSD toolkit).** It provides young entrepreneurs across Africa and the Middle East with the necessary training, networks and facilities to start and grow their businesses. The programme targets early-stage businesses that create innovative and sustainable solutions to local challenges and contribute to the UN Sustainable Development Goals.

[15] SGDP Partnership https://english.rvo.nl/subsidies-programmes/sdgp

The Climate Resilient Agribusiness for Tomorrow (CRAFT) reported for the first time in 2020. The project was designed to address climate change related challenges affecting the agriculture sector in in Kenya, Tanzania and Uganda. The project uses an Inclusive agribusiness development approach to support the international and Dutch efforts on adaptation to climate change and sustainable production in food security crops in East Africa. All projects are considered 100% climate relevant. The programme works with and through the private sector and supports public sector partners in creating an enabling environment based on field evidence for wide-scale adoption of Climate Smart Agriculture (CSA) practices, including efficient productive use of renewable energy in agriculture. The project is funded by Netherlands Ministry of Foreign Affairs and SNV is implementing the Climate Resilient Agribusiness for Tomorrow (CRAFT) project in partnership with Wageningen University & Research (WUR), the CGIAR Research Program on Climate Change, Agriculture and Food Security (CCAFS), Agriterra and Rabo Partnerships. For the reporting of 2020, a small amount of projects were signed by the end of 2019. Since CRAFT is reporting for the first time, this will not cause double counting over the years.

Another programme that reported for the first time in 2020 was **2SCALE**: a programme that manages a portfolio of public private partnerships (PPPs) for inclusive business in agri-food sectors and industries led by (micro) small and medium enterprises (SMEs) or producer organizations (POs)in Sub-Saharan Africa. 2SCALE provides a range of technical support and financial brokering services to its private partners. 2SCALE activities implemented in 2020 are 40% climate and biodiversity relevant (based on Riomarkers).

Lastly, **The Clean Cooking Alliance (CCA)** was included for the first time in 2020. The Clean Cooking Alliance (CCA) works with a global network of partners to build an inclusive industry that makes clean cooking accessible to the three billion people who live each day without it. CCA achieves this by driving consumer demand, mobilizing investment to build a pipeline of scalable businesses, and fostering an enabling environment that allows the clean cooking sector to thrive.
In 2020, the project that mobilised private finance is the 'Market Strengthening Project' which is executed by the Clean Cooking Alliance. The project aims to develop a pipeline of sustainable, scalable, and investable clean cooking businesses that are able to attract capital to scale and replicate, accelerating the transition to cleaner cooking technologies that meet consumers' needs. Through this work, the project will help to build a stronger and more sustainable clean cooking sector while increasing access to renewable energy globally. The project focuses on six countries in Sub-Saharan Africa. The project has been constructed across three components which constitute the Cooking Industry Catalyst (CIC): (1) The Venture Catalyst (VC) focuses on improving the pipeline of investment-ready businesses through business-level interventions; (2) The Market Catalyst (MC) focuses on improving the enabling environment that helps such businesses succeed through interventions that bridge information gaps and coordination gaps within the market; (3). The Demand Catalyst (DC) focuses on understanding consumers and driving demand through consumer-level interventions.
The interventions of CCA are considered 100% climate relevant following the Rio marker methodology as the CCA focuses on clean cooking solutions which aims to reduce the GHG emissions from traditional cooking practices, and thus contributes to climate change mitigation.

In total, the Netherlands mobilised **€ 73.397** million of private finance through the Dutch facilities with a public private component, of which **€ 41.623** million was climate relevant and **€ 6.017** was relevant for biodiversity.

Table 3-1 Mobilised private finance by facilities with a public private component (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Private mobilised: Development finance by NL	Climate finance by NL	Biodiversity finance by NL
Aqua for all	Standard grant/loan	4.218	4.218	15.575	15.575	-	-
Geodata for Agriculture and Water	Standard grant/loan	7.818	8.257	3.338	3.219	3.219	-
SDGP	Standard grant/loan	24.389	24.389	11.402	11.402	4.561	-
PSD Toolkit (Orange Corners)	Standard grant/loan	0.438	0.438	0.332	0.332	-	-
CRAFT	Standard grant/loan	4.537	4.537	26.695	26.695	26.695	-
Clean Cooking Alliance	Standard grant/loan	0.327	0.327	1.131	1.131	1.131	-
2SCALE	Standard grant/loan	12.026	47.933	59.959	15.043	6.017	6.017
Total		**53.752**	**90.098**	**118.432**	**73.397**	**41.623**	**6.017**

3.2 FMO state funds

OECD DAC methodologies used: Syndicated loans (arranger or participant), direct investments in companies (equity), shares in CIVs (flat, low risk or high risk), standard grants/loans.

FMO state funds are funded by the Dutch government and managed by FMO (Dutch development bank). More detailed information on FMO on balance sheet transactions can be found in section 6. FMO reported on three different state funds:

- The Access to Energy Fund (AEF, 4000002350) – AEF aims to support private sector projects to ultimately provide long-term access to energy services in Sub-Saharan Africa;[16]
- Building Prospects (Previously the 'Infrastructure Development Fund', 3278) is aimed at private sector development to create reliable infrastructure in many sectors (e.g. energy, transport, ports etc.). Climate mitigation and adaptation are a second focus theme of the fund;[17] and
- MASSIF (24949) – MASSIF provides access to financial services (e.g. bank accounts, savings products or loan products) for micro-, small- and medium-sized entrepreneurs in lower and lower-middle income countries.[18]

  FMO reported on ten Building Prospects projects, seven AEF projects and five MASSIF projects.

[16] https://www.fmo.nl/aef
[17] https://www.fmo.nl/building-prospects
[18] https://www.fmo.nl/partner-with-us/massif

The FMO state funds mobilise private finance with a variety of financial instruments. Table 3.2 shows the results for the private mobilisation through the FMO state funds.

In total, the Netherlands mobilised €46.444 million of private finance through FMO state funds, of which €39.888 was climate relevant.

Table 3-2 Mobilised private finance by FMO state funds (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private: Development finance by NL	Mobilised private: Climate finance by NL	Mobilised private: Biodiversity finance by NL
AEF I	Syndicated loan (participant)	8.101	32.403	-	-	-	
	Shares in CIV (high risk)	1.255	2.510	1.255	0.627	0.627	
BP	Syndicated loan (arranger)	5.000	82.500	27.500	14.583	14.583	
	Shares in CIV (high risk)	5.701	33.801	14.500	2.431	-	
	Shares in CIV (medium risk)	9.344	24.791	11.001	4.824	4.824	
	Direct investment in company (equity)	9.582	66.490	16.300	2.935	2.614	
MASSIF	Syndicated loan (arranger)	5.000	82.500	27.500	14.583	14.583	
	Shares in CIV (high risk)	8.422	42.111	1.684	0.337	-	
	Direct investment in company (equity)	10.760	43.339	21.227	6.124	2.657	
Total		**63.165**	**410.445**	**120.968**	**46.444**	**39.888**	**-**

3.3 Solidaridad

OECD DAC methodology used: Standard grants/loans

Solidaridad aims to make global supply chains more sustainable. It does so through cooperation with local organisations and companies. Its two programmes, the Practice for Change programme (PfC) (28819) and Advocacy for Change Programme (27545) are funded for 100% by the Netherlands MFA.

From all OECD DAC methodologies available, Solidaridad's activities are most comparable to simple co-financing arrangements. All reported data for the two programmes are preliminary, and subject to Solidaridad's Annual Audited Financial Report of the Advocacy for Change and Practice for Change

programmes, due April 2021. Most of Solidaridad's support programmes only make new commitments once every few years as these programmes run several years. Most of the projects performed by Solidaridad are 40% climate relevant (based on the Rio markers). The Advocacy for Change Programme (27545) includes one project that has 40% biodiversity relevance (based on the Rio markers). In Solidaridad's Palm Oil Projects worldwide, they provide guidance and support to restore land, soil and biodiversity corridors. Good Environmental Practices aim to reduce the negative impacts palm oil production has on land and forests, thereby safeguarding and restoring biodiversity.

Table 3-3 shows the results for Solidaridad in 2020. In total, the Netherlands mobilise € 1.618 million of private finance through Solidaridad of which €0.647 million is considered private climate finance and € 0.011 million is considered biodiversity finance.

Table 3-3 Mobilised private finance by Solidaridad (in million €)

Programme	Financial instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private: Development finance by NL	Mobilised private: Climate finance by NL	Mobilised private: Biodiversity finance by NL
Advocacy for Change	Standard grant/loan	0.028	0.028	0.028	0.028	0.011	0.011
Practice for Change	Standard grant/loan	0.382	0.382	1.796	1.590	0.636	-
Total		**0.410**	**0.410**	**1.824**	**1.618**	**0.647**	**0.011**

3.4 Dutch Good Growth Fund

OECD DAC methodologies used: Standard grants/loans, guarantees, direct investment in company (debt), direct investment in company (equity), shares in CIV (flat)

The Dutch Good Growth Fund (DGGF) provides financial support to Dutch and local entrepreneurs. Its activities focus on 70 different low- and middle-income countries. DGGF contains three different tracks:

- Track 1 (26663): Financing Dutch SMEs which aim to invest in low-and middle-income countries;
- Track 2 (26664): Financing local SMEs in low-and middle-income countries; and
- Track 3 (26665): Financing and/or insuring Dutch SMEs, which aim to export to low-and middle-income countries.

The first track is managed by The Netherlands Enterprise Agency (*Rijksdienst voor Ondernemend Nederland, RVO*), the second track by a consortium of Triple Jump and PricewaterhouseCoopers (PwC), and the third track by Atradius DSB (Dutch State Business).

RVO (track 1) provides tailored financial services to Dutch businesses that want to invest in, import from or export to low- and middle-income countries. Even though RVO tracks the climate relevance of their projects using the Rio markers, so far none of the DGGF track 1 projects has been scored meeting the Rio markers.

Triple Jump (track 2) uses Shares in flat CIVs, direct investments in companies (equity and debt) and standard grants/loans to mobilise private finance. Last year, DGGF-2 only reported shares in CIVs as instruments that mobilised private finance. None of the projects were considered climate relevant, following the Rio marker principles.

Atradius DSB (track 3) did not mobilise private finance in 2020. Similair to last year, Atradius DSB provided numerous export credit insurance policies. However, as these covered exports from the Netherlands to low-and middle-income countries rather than on-ground investments in developing countries they are not considered relevant for this report.

Table 3-4 shows the results for DGGF per track.

In total, the Netherlands mobilised € 70.234 million of private finance through the Dutch Good Growth Fund. None of the projects were scored based on Rio markers for climate, for which reason no climate relevant finance is reported here.

Table 3-4 Mobilised private finance by DGGF (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private:		
					Development finance by NL	Climate finance by NL	Biodiversity finance by NL
DGGF Track 1 - RVO	Guarantee/insurance	5.100	5.100	12.350	12.350	-	-
	Direct investment in company (debt)	25.395	25.395	11.298	11.298	-	
	Standard grant/loan	0.777	0.777	0.292	0.292	-	-
DGGF Track 2 - Triple Jump & PwC	Shares in CIV (flat)	68.045	293.062	46.108	17.739	-	-
DGGF 2 Track 2 - Seed Capital	Direct investment in company (equity)	1.098	1.098	27.078	27.078	-	-
DGGF 2 Track 2 - Seed Capital	Direct investment in company (debt)	1.080	1.080	0.514	0.514	-	-
DGGF 2 Track 2 - Seed Capital	Standard grant/loan	4.930	13.524	2.160	0.964	-	-
Total		**106.424**	**340.035**	**99.800**	**70.234**	**-**	**0.020**

3.5 AGRI3

OECD DAC methodology used: Guarantee and insurance

AGRI3 is a blended finance vehicle with the mission to mobilise USD 1 billion of additional public and private capital at scale, including commercial banks, development finance institutions (DFIs), impact investors and institutional investors to i) Prevent deforestation and stimulate reforestation; ii) Contribute to sustainable and efficient agricultural production and iii) Improve rural livelihoods. The fund was established as a joint initiative of Rabobank and UNEP in 2017, which has since expanded to include FMO and IDH. The fund was established as an independent entity in 2020, and initial funding has been provided by the Dutch Ministry of Foreign Affairs and Rabobank.

The fund aims to work with a cohort of banking partners who are committed to utilising their funds to finance projects and businesses that address deforestation and deliver sustainable agricultural processes. The Fund does this by providing guarantees and subordinated loans to commercial banks and other financial institutions (called "Partnerbanks") to mobilise capital by de-risking and catalysing investment propositions which meet the Impact objectives of the fund.

The AGRI3 Fund was created with the mission to mobilise public and private capital for sustainable agriculture and the prevention of deforestation.

Climate change is closely connected to these issues. Agriculture and forestry together account for nearly a quarter of all greenhouse gas emissions, mostly due to conversion of forests and other ecosystems such as peatlands that naturally capture and store carbon dioxide. Agriculture is also at the frontline in terms of facing the negative effects of climate change such as changes in temperature and precipitation patterns.

The transition to a more sustainable and climate-smart agricultural system that can meet future demand without exacerbating environmental degradation and climate change is therefore an urgent priority.

Table 3-5 shows the results for AGRI3. In total, the Netherlands mobilised **€13.170** million of private finance through AGRI3 of which **€5.268** million is considered private climate finance.

Table 3-5 Mobilised private finance by AGRI3 (in million €)

					Mobilised private:		
Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Development finance by NL	Climate finance by NL	Biodiversity finance by NL
AGRI3	Guarantee/ insurance	6.892	6.892	13.170	13.170	5.268	-

3.6 PharmAccess (Health Insurance Fund)

OECD DAC methodology used: Direct investment in company (equity), Credit line and Standard grant/loan

PharmAccess is an entrepreneurial, non-governmental organisation with a digital agenda, dedicated to connecting more people to better healthcare in Africa.

Supported by the Netherlands MFA, the PharmAccess Group has introduced new mechanisms to make health markets work for lower- and middle-income groups in Africa, stimulating both the demand and supply side of the healthcare market, by using private instruments for a (semi) public good.

Working together with local and international public-private partners, its interventions focus on financing mechanisms such as health insurance, and mechanisms to assess and stimulate improvement of the quality of care delivered. Pharm Access leverages donor funding to reduce risks and decrease other barriers to investments, to enhance sustainable public and private investments in health. In addition, investing in mobile and digital technology are considered important strategies to increase transparency, efficiency and effectiveness of its interventions.

Table 3-6 summarises the results for PharmAccess in 2020, consisting of the projects Health Insurance Fund (28079) and HIF Carepay (4000001129). In total, the Netherlands mobilised **€23.985** million of private finance through Pharm Access.

Table 3-6 Mobilised private finance by PharmAccess (in million €)

					Mobilised private:		
Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Development finance by NL	Climate finance by NL	Biodiversity finance by NL
HIF Carepay	Direct investment in company (equity)	4.900	4.900	8.112	8.112	-	-
HIF	Creditline	2.240	2.240	5.702	5.702	-	-
HIF	Standard grant/loan	7.510	7.975	10.800	10.170	-	-
Total		**14.650**	**15.115**	**24.614**	**23.985**	**-**	**-**

3.7 Dutch Fund for Climate and Development

The **Dutch Fund for Climate and Development** (DFCD, 4000000066) was launched in November 2019. The DFCD is a € 160 million fund of the Dutch Government that focuses on climate adaptation. The primary objective of DFCD is to support climate related businesses in developing countries with finance that benefits vulnerable groups and ecosystems. The fund is managed by FMO, SNV Netherlands Development Organisation (SNV), World Wide Fund for Nature (WWF) and Climate Fund Managers (CFM). The structure of DCFD is provided in Figure 3-7.

Figure 3-7 Organisational Structure DFCD

DFCD is structured through three separate, but operationally linked facilities, each with a specific sub-sector focus and role across the project lifecycle:

- WWF and SNV manage the € 30 million **Origination Facility** (€ 15 million each) that identifies and develops bankable business cases for the other two Facilities using Technical Assistance and simple co-finance arrangements (grants);
- CFM manages the € 75 million **Water Facility.** Here, finance is used tactically within a Development Fund and a tranched Construction Equity Fund[1] to mobilise private capital at fund level. It is expected that every € 1 million of donor funding in the Construction Equity Fund will mobilise € 4 million of private sector finance;
- FMO manages the € 55 million **Land Use Facility**, which directly provides loans, grants and equity to projects.

Table 3-7 shows the results for DFCD for the three facilities. In total, the Netherlands mobilised €11.959 million of private finance through DFCD of which €11.955 million is considered private climate finance and €0.153 million private biodiversity finance.*

** The DFCD allocated Rio markers to each of the projects individually: for all projects a 100% climate relevance was allocated, except for 1 project of the Origination Facility, which was reported as 40% climate relevant. This explains the small difference between the total mobilised development finance and mobilised climate finance.*

Table 3-7 Mobilised private finance by DFCD (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private: Development finance by NL	Mobilised private: Climate finance by NL	Mobilised private: Biodiversity finance by NL
DFCD Origination Facility	Standard grant/loan	0.944	0.944	0.512	0.512	0.509	0.153
DFCD Land Use Facility	Shares in CIV (high risk)	6.633	17.687	11.055	3.455	3.455	-
	Shares in CIV (medium risk)	4.446	24.791	11.001	3.737	3.737	-
DFCD Water Facility	Standard grant/loan	10.511	10.511	4.255	4.255	4.255	-
Total		**22.534**	**53.934**	**26.824**	**11.959**	**11.955**	**0.153**

[1] CFM has applied this model in its Climate Investor One (CIO) mandate. Also see section 4.5.

4 Multi donor programmes and funds

4.1 The Sustainable Trade Initiative (IDH)

OECD DAC methodology used: Standard grants/loans

The Sustainable Trade Initiative (27092) and the **Sustainable Trade Initiative ISLA** (25884) are funded by the Netherlands (81%), SECO (9%) and DANIDA (10%). They are analysed as a Collective Investment Vehicle (CIV), as they pool donor money to sponsor projects in developing countries. The private sector does not invest in The Sustainable Trade Initiative (IDH). Therefore, based on the OECD DAC methodology for CIVs, no private finance has been mobilised at a fund level within IDH.

IDH mobilises private finance through the commitment of grants to projects. As a result, other public and private entities step in and commit additional financial resources to these projects. Private finance can either stem from international companies or from local corporations. Public partners include NGOs[19], other (local) governments or communities in developing countries.

IDH reports on programme level categorised by type of commodity (e.g. coffee, timber, cocoa). All programmes under The Sustainable Trade Initiative that mobilised private finance (12 in total) are considered at least 40% climate relevant (following the Rio markers). Three of these programmes were considered 100% climate relevant (following the Rio markers). The Sustainable Trade Initiative ISLA mobilised private finance with one programme. This programme has a 100% climate relevance. Table 4-1 summarises the results for IDH.

In 2019, IDH received additional funding from the Netherlands MFA to start the IDH Farmfit Fund. **The IDH Farmfit Fund** (4000002783) is a major public-private impact fund for smallholder farmers. The Fund's innovative financing model makes investments in smallholder farmers attractive, as it de-risks investments in smallholder farming and helps drive sustainable impact by lowering risks and costs for both farmers and investors. In 2019, the Netherlands MFA committed € 50 million to the fund and a private party committed € 10 million to the fund. In addition, the IDH Farmfit Fund has mobilised another € 27,5 million of private finance in 2020.

Table 4-1 summarises the results for IDH.

In total, the Netherlands mobilised **€40.420** million of private finance through the Sustainable Trade Initiative (IDH), of which **€ 17.071** million was climate related.

[19] All NGOs were considered public as it was not feasible to separate public and private NGOs within IDH's administrative system.

Table 4-1 Mobilised private finance by IDH (in million €)

Program me	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private: Developmen t finance by NL	Climate finance by NL	Biodiversit y finance by NL
IDH	Standard grant/loan	8.177	15.481	23.072	17.147	7.549	-
IDH ISLA	Standard grant/loan	1.555	5.859	1.340	0.355	0.355	-
IDH Farmfit Fund	Standard grant/loan	50.000	60.000	27.500	22.917	9.167	-
Total		**59.731**	**81.341**	**51.912**	**40.420**	**17.071**	**-**

4.2 Global Agriculture and Food Security Program (GAFSP), Global Small Medium Enterprise Facility (GSMEF) & Middle East and North Africa Private Sector Development Program (MENA PSD)

OECD DAC methodologies used: Standard loans

The Global Agriculture and Food Security finance Program (GAFSP) Private Sector Window (PrSW, 23294) and the Global Small and Medium Enterprise Finance facility (GSMEF, 27841) are both multi donor facilities managed by the International Finance Corporation (IFC). GAFSP PrSW is funded by several industrialised countries, including the Netherlands. GSMEF is funded by the Netherlands and the United Kingdom. Both facilities can be seen as CIVs, which pool donor contributions to sponsor projects in developing countries. The IFC also manages the Middle East and North Africa Private Sector Development Program (MENA PSD, 4000003040), which is a regional partnership with the Government of the Netherlands. The climate relevance differs per project and is tracked per project (following the Rio markers).

Private finance is mobilised by both GAFSP PrSW, GSMEF and MENA PSD. IFC does not only manage GAFSP PrSW, GSMEF and MENA PSD as an implementing entity; it also co-finances all projects to which GAFSP PrSW, GSMEF and PSD MENA make commitments.

GAFSP PrSW made new commitments to three projects in 2020, of which two mobilised private finance. These commitments were either loans or guarantees. For GAFSP PrSW, the Dutch contribution was established using the share of the Netherlands in the gross total contribution receipts of all donors to the GAFSP PrSW. This share was 36.3% in 2020.[20] This is different for GSMEF.

The GSMEF is funded by the United Kingdom (UK) and the Netherlands in two separate trust funds. In 2020, IFC committed $90M of its own funds to private sector projects that also received commitments of $1.66M from GSMEF and $37.5M from co-investors.

PSD MENA is a new regional partnership with the Government of the Netherlands to support development across the MENA region. The $70M IFC-Netherlands partnership includes a dedicated $22M

[20] https://www.gafspfund.org/sites/default/files/2020-07/Annual%20Report%202019-FINAL-web.pdf

blended finance facility, Alafaq Aljadida (New Horizons), to help reduce the risk profile of projects with high development impact in the MENA region[21]. The Alafaq Aljadida is a multisector facility that can support projects across industries and themes (e.g., renewable energy and climate, water, education, healthcare, agribusiness, building materials and chemicals sectors, microfinance, SME finance, access to finance, trade finance etc.). The blended finance investment component aims to catalyse private sector investments in potentially high-impact projects that are on the threshold of commercial viability and deepen and expand IFC's efforts in MENA into new and emerging areas. The project Generating Solar Power and Self-Reliance in the West Bank has a 100% climate relevance.

Table 4-2 summarises the findings for GAFSP, GSMEF, MENA PSF. In the table, the total public investment for GAFSP includes the total contributions from GAFSP – resulting from both Dutch contributions and other donor contributions –, IFC and other public investments.

In total, the Netherlands mobilised **€6.631** million of private finance through GAFSP, GSMEF and MENA PSD, of which **€5.817 million** was climate related.

Table 4-2 Mobilised private finance by GAFSP and GSMEF (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private: Development finance by NL	Climate finance by NL	Biodiversity finance by NL
GAFSP*	Standard grant/loan	0.380	2.110	3.160	0.569	-	-
	Guarantee/insurance	0.830	11.500	4.650	0.336	0.134	-
GSMEF	Standard grant/loan	0.931	69.502	10.975	0.044	-	-
PSD MENA	Standard grant/loan	4.829	12.907	15.189	5.683	5.683	-
Total		**6.083**	**37.579**	**33.974**	**6.631**	**5.817**	**-**

* *The contributions to the GAFSP projects are estimated based on the share of the Netherlands in the gross total contribution receipts of all donors to the GAFSP PrSW*

4.3 The One Acre Fund

OECD DAC methodologies used: Standard grants/loans

In 2020, private investments have been mobilised by the **One Acre Fund** (29032)**.** The Fund supplies financing and training to help smallholders grow their way out of hunger and build pathways to prosperity. In addition to training activities, the fund uses private financial instruments, such as asset-based loans: farmers receive high-quality seeds and fertilizers on credit, and the fund offers a repayment system that allows to pay back their loans in any amount throughout the loan term. [22]

[21] Eligible countries of the Program are Iraq, Jordan, Tunisia, Egypt, the West Bank and Gaza, Algeria, Morocco, and Yemen.
[22] https://oneacrefund.org/what-we-do/our-model/

The mobilisation has taken place as a result of simple co-finance arrangements at the fund level: the Netherlands MFA has provided a conditional loan with a value of $15 million to cover first losses. In addition, the public authority International Development Finance Corporation (IDFC) has provided a $20 million loan. The mobilised private finance amounts to $39.4 million. This amount is considered (40%) relevant for climate and biodiversity.

Table 4-3 summarises the findings for the One Acre Fund.

In total, the Netherlands mobilised **€14.825** million of private finance through the One Acre Fund, of which **€5.930 million** was climate related and **€5.930 million** was biodiversity related.

Table 4-3 Mobilised private finance by the One Acre Fund (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private:		
					Development finance by NL	Climate finance by NL	Biodiversity finance by NL
One Acre Fund	Standard grant/loan	13.170	30.730	34.593	14.826	5.930	5.930

4.4 Private Infrastructure Development Group (PIDG)

OECD DAC methodology used: direct investments in companies (equity) and guarantees

The Private Infrastructure Development Group (PIDG, 8848) supports infrastructure projects in low income, lower-middle-income countries and in fragile and conflict affected states at different stages of their development. By using limited amounts of donor funding, PIDG is able to reduce the project development risk and crowd in other private sector investors to make projects happen. Since its establishment in 2002, PIDG has developed significant expertise operating at the frontier of what is possible in private sector infrastructure investment in the challenging markets of Sub-Saharan Africa and South-East Asia. In 2020, the private mobilisation by PIDG is considered 100% relevant for climate.

PIDG consists of four infrastructure companies (InfraCo Africa, InfraCo Asia, Emerging Africa Infrastructure Fund, GuarantCo) and a Technical Assistance Facility (TAF).

PIDG is funded by the governments of the Netherlands, UK, Switzerland, Australia, Sweden, Germany and the IFC. In 2018, the Netherlands MFA has renewed its support to PIDG and committed 100 million USD for the period 2018-2022.

As PIDG is a multi-donor organisation, it is important to allocate the fair share of Dutch contributions to mobilised private finance. To do so, the shares of PIDG funding for DGIS and FMO are used to calculate the Dutch share of private mobilised finance. In 2020, the DGIS share was 9.49% and the FMO share was 2.07%.[23]

[23] Figures are provided by PIDG's Finance team

As of 2020, PIDG reports on the provisional mobilisation numbers for the appropriate reporting year. The 2019 report included the 2018 private mobilisation numbers as the information on mobilised private finance in 2019 was not yet available. To correct for the delay in reporting, it was decided to include the 2020 mobilise private finance. Note that as a result, the 2019 data is not reported.

In total, the Netherlands mobilised € 4.091 million of private climate related finance through PIDG.

Table 4-4 Mobilised private finance by PIDG (in million €)

Programme	Financial Instrument	Commitment NL	Total public Investment	Total private investment	Mobilised private: Development finance by NL	Climate finance by NL	Biodiversity finance by NL
PIDG	Guarantee/insurance	0.964	8.341	8.341	Not measured in this report	0.964	-
	Direct investment in company (equity)	2.011	17.393	27.051		3.127	-
Total		**2.975**	**25.734**	**35.392**		**4.091**	**-**

4.5 Climate Investor One (CIO)

OECD DAC methodology used: Shares in CIV (high risk) and shares in CIV (medium risk)

Climate Investor One (CIO, 24463) is a collective investment vehicle that offers investment opportunities for renewable energy projects in developing countries. It is managed by the investor Climate Fund Managers, which is jointly owned (50-50% shares) by FMO and the South African infrastructure investment business Phoenix InfraWorks, which is a private entity. Climate Fund Managers is not (directly) owned or operated by a government and is therefore considered private.[24] CIO comprises two separate funds: the CIO Development Fund (DF) and the CIO Construction Equity Fund (CEF).

In 2017, three Dutch (semi-) governmental institutions participated in CIO's first replenishment cycle: FMO (FMO-A), DGIS (via AEF) [25], and the Nederlandse Waterschapsbank (NWB). Private institutions also committed financial resources to CIO. These private investments, both at fund and at project level, are partially attributable to the Netherlands through its contributions to CIO.

The Dutch share in DF in December 2020 was 10%, all public parties committed to DF through similar risk tranches. Since parties committed to CEF through various risk tranches, the shares in CEF are more difficult to determine. To estimate the Dutch share, we analysed CEF as a CIV, which allows to distinguish between parties which invest 'ordinary' equity and parties which invest first-loss equity. Based on this approach, the Netherlands MFA share (the Netherlands MFA and FMO-A combined) in CEF was 25.88% and the NWB's share was 24.48% in December 2020 (for more information, please see box 4-5). The mobilisation attributable to the Netherlands was calculated using these shares at fund level and project level.

[24] OECD DAC (2016). Understanding Key Terms and Modalities for Private Sector Engagement in Development Co-operation. Retrieved from: http://www.oecd.org/dac/peer-reviews/Inventory-1-Private-Sector-Engagement-Terminology-and-Typology.pdf

[25] The data received from Climate Fund Managers (CFM) refers to 'DGIS' as fund owner. Based on personal communication with the Netherlands MFA, it became clear that the reference to 'DGIS' contains the investment through the Access to Energy Fund (AEF).

In total, the Netherlands mobilised €99.867 million of private finance through Climate Investor One (CIO). This amount is reported as 100% climate relevant.

Table 4-5 summarises the results for CIO.

Table 4-5 Mobilised private finance by Climate Investor One (in million €)

Programme	Financial Instrument	Commitment NL	Total public investment	Total private investment	Mobilised private: Development finance by NL	Mobilised private: Climate finance by NL	Mobilised private: Biodiversity finance by NL
DF	Shares in CIV (flat)	1.926	22.584	26.082	2.566	2.566	-
CEF	Shares in CIV (medium and high risk)	80.219	397.098	375.971	97.301	97.301	-
Totals		**82.145**	**419.682**	**402.053**	**99.867**	**99.867**	**-**

Box 4-5 Calculation the share of NL in CEF

CEF distinguishes three risk traches (junior equity, ordinary equity, and preferred equity). As such, public and private parties participating in CEF faced different risk levels with their investment, depending on the tranches. To take this into account, the shares of public investors in CEF have been calculated as per the OECD method for analysing private mobilisation at project level. It is noted that this approach is *in the spirit of* the OECD method, but strictly speaking, not a direct application of the OECD method as this method is designed to attribute private mobilisation at *project* level.

All investments in Tier 1 (junior equity) are treated as "Shares in the riskiest tranche of structured collective investment vehicle, first-loss shares and others" in the OECD method. All investments in Tiers 2 (ordinary equity) and 3 (preferred equity) are treated as "Shares in the mezzanine/senior tranche of structured CIV" in the OECD method. 50% of the investments are attributed to participants in Tier 1 equally, the remaining 50% is attributed to all participants (Tier 1, 2, 3) on a pro rata basis.

The results of this approach are shown in the table below. DGIS' share in the CIV, without taking into account the different risk tranches, would have been 6%. When instead different risk tranches are taken into account, DGIS' share increases to 21.27%. The Dutch MFA mobilisation at project level in 2020 through CEF was then calculated by multiplying CEF's mobilisation at project level by 25.88% (the sum of the 21.27% share of DGIS plus the sum of the 4.61% of FMO).

It is stressed that it is important that other public investors use the same method when calculating their mobilised climate finance through their share in CEF, to avoid double counting.

Fund	Leveraging mechanism	Check	Amount committed by NL	Total Public Invest-ment	Total Private Invest-ment	CIV information #investors high risk	#investors low risk	Shares in CIV Correc-ted for risk	Simple share
# in OECD	*43A*	*Check*	*A*	*B*	*C*	*F*	*G*		
DGIS	High (#4)	0.2127	50	543	255	3	5	21.27%	6%
NWB	Low (#5)	0.2450	266	543	255	3	5	24.5%	33%
FMO	Low (#5)	0.0461	50	543	255	3	5	4.61%	6%

Simple shares are calculated by A / (B+C). Corrected for risk share are calculated by Check / C. Check is calculated using the OECD method for financial instruments #4 (CIV shares in the riskiest tranche) and #5(CIV shares in the mezzanine/senior tranche), using the information in A, B, C, F, and G.

4.6 The Global Alliance for Improved Nutrition (GAIN)

OECD DAC methodologies used: Standard grants/loans

The Global Alliance for Improved Nutrition (GAIN, 4000003934) is a Swiss-based foundation dedicated to tackle the human suffering caused by malnutrition. Working with governments, businesses and civil society, GAIN aims to transform food systems so that they deliver more nutritious foods for all people, especially the most vulnerable. By understanding that there is no "one-size-fits-all" way of dealing with this problem, GAIN develops alliances and builds tailored programmes using a variety of models and approaches in ten countries with high burdens of malnutrition – Bangladesh, Ethiopia, India, Indonesia, Kenya, Mozambique, Nigeria, Pakistan, Rwanda, and Tanzania.

The foundation works through and with governments, at national, regional, and city levels and their agencies involved in the food system, as well as with employers and buyers in global supply chains, multinational companies, international organisations and influencers. GAIN supports small and medium-sized enterprises (SMEs), with over 2,000 businesses signed up to alliances and networks run by GAIN and partners.

GAIN secures funding for its activities through negotiated project or programme grants and competed contracts from bilateral/multilateral aid donors, private philanthropic foundations, and corporate foundations and social responsibility funds, as well as through a small volume of individual charitable donations.

In total, the Netherlands mobilised **€1.088** million of private finance through GAIN.

Table 4-6 summarises the results for GAIN.

Table 4-6 Mobilised private finance by GAIN (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Invest ment	Total Private investment	Mobilised private: Developm ent finance by NL	Climate finance by NL	Biodiversity finance by NL
GAIN	Standard grant/loan	9.012	18.555	1.685	1.088	-	-

4.7 Global Water Security and Sanitation Partnership (GWSP)

OECD DAC methodologies used: Standard grants/loans and direct investment in companies/SPVs, equity

The Global Water Security & Sanitation Partnership (GWSP, 29380) focuses on advancing knowledge and building capacity by supporting governments to achieve the water-related SDGs. The partnerships build on a nearly half-century of collaboration driven by the Water and Sanitation Program (WSP), the Water Partnership Program (WPP) and others. The Netherlands is one of the partners in this programme.

The GWSP funding is part of blended finance and GWSP's results are delivered through the GWSP trust fund and World Bank lending that GWSP influences. As the finance is not earmarked, a standard percentage is applied to account for the presumed performance by GWSP in the entire portfolio. To account for Dutch contribution to the mobilised private finance, the Dutch share in GWSP was taken. The Dutch share in GWSP was then multiplied with the presumed performance to arrive at the fair share of Dutch contribution to private mobilised finance by GWSP.

GWSP technical assistance, knowledge and analytics enhance the climate change adaptation and mitigation features of new and ongoing World Bank lending operations in the water sector. Since inception GWSP has contributed to an increase in the percentage of new World Bank lending commitments with climate change co-benefits from 31% in 2017 to 60% in 2020. Table 4-7 summarises the results for the Dutch mobilisation in the GWSP.

In total, the Netherlands mobilised **€ 0.599** million of private finance through GWSP of which **€ 0.240** is considered climate relevant.

Table 4-7 Mobilised private finance by PIDG (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private: Development finance by NL	Mobilised private: Climate finance by NL	Mobilised private: Biodiversity finance by NL
GWSP	Standard grant/loan	0.001	4.689	2.366	0.0004	0.0002	-
	Direct investment in company (equity)	0.001	170.332	82.532	0.599	0.239	-
Total		**0.002**	**175.021**	**84.898**	**0.599**	**0.240**	**-**

5 Multilateral climate funds

5.1 Global Environmental Facility (GEF)

OECD DAC methodology used: Standard grants/loans

The Global Environmental Facility (GEF, 27173) is a multilateral climate fund which specifically focusses on environmental projects. The Netherlands is one of the countries which contributes to GEF and, as such, mobilises private finance through these contributions. In 2018, the 7th replenishment cycle of the GEF Trust Fund took place, in which the Dutch share in GEF changed from 2.27% to 2.09%.[26] This share was used to calculate the Dutch contribution to private climate finance mobilised in the GEF. Table 5-1 summarises the results for the private mobilisation of (climate) finance by the Netherlands through its contributions to GEF.

In total, the Netherlands mobilised **€ 5.479** million of private finance through the GEF. This amount is reported as 100% climate relevant. This amount is almost double the amount as reported over 2019 (compare to € 2.847 mobilisation attributable to the Netherlands in 2019). This can be explained by the fact that the public and private investment in GEF projects is also significantly higher in 2020 compared to 2019. The biodiversity-relevance of finance mobilised by the GEF has not been measured yet over 2020.

Table 5-1 Mobilised private finance by GEF (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private:		
					Development finance by NL	Climate finance by NL	Biodiversity finance by NL
GEF	Standard grant/loan	20.938	5 454.275	1 427.373	5.479	5.479	-

5.2 Green Climate Fund (GCF)

OECD DAC methodology used: Standard grants/loans

The Green Climate Fund (GCF, 27119) is an investment fund that was founded as part of the UNFCCC's financial mechanism to provide developing countries with climate finance. In 2020, several new commitments were made by the GCF which are considered 100% climate relevant. In total, the Dutch share in the GCF equals 1.41%.[27] Table 5-2 summarises the results for GCF.

In total, the Netherlands mobilised **€15.095** million of private finance through the GCF. This amount is reported as 100% climate relevant. The biodiversity-relevance of finance mobilised by the GCF has not been measured yet over 2020.

Table 5-2 Mobilised private finance by GCF (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Mobilised private:		
					Development finance by NL	Climate finance by NL	Biodiversity finance by NL
GCF	Standard grant/loan	25.998	2 721.800	1 580.400	15.095	15.095	-

[26] https://www.thegef.org/sites/default/files/council-meeting-documents/GEF.A6.05.Rev_.01_Replenishment.pdf
[27] https://www.greenclimate.fund/sites/default/files/document/status-pledges-irm-gcf1_3.pdf

6 Dutch Development Bank - FMO

FMO is the Dutch development bank and is sustained by a participation of the Dutch government (51%). The remainder of the FMO is owned by commercial banks. FMO is an independent and commercial bank with an independent management and board. The leverage of climate relevant loans of FMO A is included in this report, in line with the other donors taking part in FMO loans.

OECD DAC methodologies used: Syndicated loans (arranger or participant), direct investments in companies (equity), direct investments in companies (mezzanine/senior debt), shares in CIVs (medium risk).

FMO-A refers to on-balance sheet investments from FMO. In this report, only the potentially climate relevant projects by FMO-A were included. The 'development finance' for FMO is therefore not measured in table 6-1. FMO reported on 36 FMO-A projects in 2020 (projects below the €50 thousand threshold were not considered). Although FMO reported on a variety of instruments that mobilised private climate finance in 2019, climate finance was only mobilised in the year 2020 for the instrument 'syndicated loan' (arranger). The climate finance mobilised by FMO-A transactions was significantly lower in 2020, due to the fact that production was limited, especially in the energy sector (which normally accounts for most of the climate finance deals). Production was lower in 2020 mostly due to restrictions brought about by the COVID-19 pandemic hence a number of deals had to be delayed.

FMO has developed its own methodology to determine the climate relevance of projects.[28] This methodology is not based on the Rio markers, but is closely aligned to the MDB methodology for Climate Finance. [29] For this report, FMO's climate relevance is leading. However, all transactions which were labelled climate relevant by FMO were critically assessed by Trinomics, based on the following principles:

- For all transactions which were marked climate relevant by FMO in the fields of wind, solar, energy efficiency, hydro energy and forestry, FMO's climate relevance was followed without further in-depth analysis (following the MDB methodology);
- All other projects which were identified as climate relevant by FMO were critically assessed based on the Rio marker principles. These projects were mainly in the fields of agri-business and financial institutions. Based on this assessment, the climate relevance indicated by FMO of three transactions was adjusted.

Table 6-1 shows the results for the FMO-A over 2020.

[28] FMO classifies a project "green" if the company in which it invests has certain certificates indicating that they operate their business in a better way than the average business in a certain industry from a climate perspective.
[29] European Investment Bank (2015). Common Principles for Climate Mitigation Finance Tracking. Retrieved from: https://www.eib.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf

In total, the Netherlands mobilised €14.065 million of private climate related finance through FMO-A.

Table 6-1 Mobilised private finance by FMO-A (in million €)

Programme	Financial Instrument	Amount committed by NL	Total Public Investment	Total Private investment	Private mobilised: Development private finance by NL	Private mobilised: Climate finance by NL	Private mobilised: Biodiversity finance by NL
FMO-A	Syndicated loan (arranger)	472.168	934.323	273.030	Not measured in this report	14.065	
	Syndicated loan (participant)	117.583	298.209	-		-	
	Shares in CIV (medium risk)	0.972	12.677	11.704		-	
	Direct investment in company (equity)	64.730	252.613	58.290		-	
	Direct investment in company (debt)	6.310	31.551	4.211		-	
Total		**661.763**	**1,529.372**	**347.235**		**14.065**	**-**

7 Multilateral Development Banks

The analysis on the Dutch mobilisation of private finance through their share in the core contributions of the **Multilateral Development Banks** (MDBs) was only performed for *climate* finance as more information was not available from the MDBs.

To determine the Dutch mobilisation of private *climate* finance through their share in the core contributions of the MDBs, data from the latest MDB joint report is used as the principal source.[30] To date, no report has been published for 2020. Therefore, the data from the 2019 report is used as a second-best option, which covers the fiscal year of 2019. The methodology to calculate the mobilised private *climate* finance of the Netherlands through its contributions to the MDBs can be found in Annex C.

The 2019 Joint report on Climate Finance has expanded its geographical coverage compared to the 2018 report, resulting in a division of the MDB climate finance commitments in two main groups: 1) Low-income and middle-income economies, and 2) High-income economies. For the latter category, the reports mentions that this category '*also includes climate finance for global, multi-regional projects when it is not possible to attribute these to a specific income group (p.5)*'. In 2019, 67% of total MDB commitments were for low-income and middle-income economies and 33% for high-income economies. In this year reporting, it was decided to include only the low-income and middle-income economies as per the objective the UNFCCC and the Dutch MFA for climate finance.

Table 7 shows the results for the private mobilisation through the MDBs.

In total, the Netherlands mobilised **€324.634** million of private climate related finance through the Multilateral Development Banks.

Table 7 MDB Climate Finance in 2018 - Attribution to the Netherlands (€ million)

	Non-concessional window		Concessional window		Total	
Bank	MDB climate finance attributed to NL	Mobilised private climate finance	MDB climate finance attributed to NL	Mobilised private climate finance	MDB climate finance attributed to NL	Mobilised private climate finance by NL
AsDB	51.867	21.784	15.300	6.426	67.167	28.210
AfDB	17.869	7.505	32.518	13.657	50.387	
EBRD	86.110	36.166		-	86.110	36.166
EIB	162.616	68.299		-	162.616	68.299
IDB (IDBG)	6.032	2.533	0.331	0.139	6.363	2.672
IDB Invest (IDBG)	7.818	3.284		-	7.818	3.284
IFC (WBG)	55.166	23.170		-	55.166	23.170
IBRD / IDA (WBG)	135.592	56.949	201.718	84.722	337.310	141.670
Total	**523.070**	**219.690**	**249.867**	**104.944**	**772.937**	**324.634**

[30] IDB (2019). 2019 Joint Report on Multilateral Development Banks Climate Finance. Retrieved from: https://publications.iadb.org/publications/english/document/2019-Joint-Report-on-Multilateral-Development-Banks-Climate-Finance.pdf

8 Funds and programmes that did not mobilise in 2020

In this section, several funds and programmes that did not mobilise private finance in 2020 are discussed. These are, among others, funds and programmes that mobilised private finance in previous years but not in 2020. Moreover, some new funds and programmes were identified as relevant for this assignment, but after a first assessment it became clear that no mobilisation took place in 2020. The reasons for not mobilising private finance vary per fund or programme and are explained below.

8.1 Drive (27804)

For 2020, there have been no private funds mobilized for the DRIVE nor the ORIO program. The vast majority of the DRIVE subsidies and ORIO grants are public funds and are thus not eligible. In ORIO there is no project with a public private partnership. There is one PPP DRIVE project that is currently been assessed and could be considered for private funding in 2021 if approved.

8.2 SDG 7 Results (4000002085)

The programme "SDG 7 Results: Access to renewable energy" is managed by RVO and offers support to businesses, NGOs and financial institutions to target underserved households in 17 countries in Africa and Asia to gain access to renewable energy technologies and services. SDG7 Results is a Results Based Facility, effectively implying that implementation risks are with the implementer and subsidy is only paid upon proof of verified (part) results and proportional to such part-result. While in the course of 2020 all implementers started project related activities and as such invested privately, because of this ex-post payment character, in 2020 no subsidies were paid out. As such the 2020 leverage of the SDG7 Results facility could not be measured, a situation that will be different in 2021 when, as per current projections, all projects will submit one or more sets of verified results and subsidies will thus be paid out.

8.3 Mobilising More 4 Climate (4000002211)

The **Mobilising more for climate Programme (MoMo4C)** started in 2020. MoMo4C brings entrepreneurs, policy makers and investors within selected landscapes together to enable business propositions which can tackle the impacts caused by climate change in developing countries. In 2020, no finance has been mobilised yet. From 2021 onwards, MoMo4C's public and private mobilisation will be analysed through the OECD DAC methodology for simple co-finance arrangements. The program fulfils both the climate and biodiversity markers of the OECD.

8.4 The Sustainable Water Fund (24011)

The **Sustainable Water Fund programme (FDW)** is managed by RVO and aims to contribute to water safety and water security in developing countries. With the FDW programme, the Netherlands supports collective initiatives between governmental bodies, industry and NGOs to address water issues. There are no further funding rounds for FDW.

8.5 Young Expert Programme (YEP)

Young Expert Programmes (YEP Programmes) is managed by the Netherlands Water Partnership (NWP) in close cooperation with the Netherlands Enterprise Agency (RVO) and the Netherlands Food Partnership (NFP). Its mission is to create a young, renewed, inspiring international network and to build expertise in the field of Water, Agrofood and renewable Energy through Dutch organisations, operating in developing countries and emerging markets.

The Dutch ministry of Foreign Affairs (MoFA) co-finances Young Expert positions together with the participating Dutch partners. These Dutch partners consist of inter alia NGOs, knowledge institutes and private sector companies.

YEP Phase II started on 1 January 2020 and ends on 31 December 2024. In Phase II MoFA invests € 18.448.481 in YEP, the amount participating organisations invest only becomes clear after determining the YEP positions which means that for YEP Phase II this is yet unknown.
Learnings from Phase I: The amount participating partners invest in the Young Experts is at least 50% of the total costs. However, the organisations invest this directly/in-kind, hence no cash transfer with NWP.
All participating partners are active in the field of development cooperation and related (in)directly to climate as they focus on the Sustainable Development Goals (SDGs). More specifically:

- Water:
  - Efficient water management, especially the agricultural sector
  - Improved river basin management and safe estuaries and delta's
  - Access to safe drinking water and sanitation (WASH)
- Agrofood
  - Eradicating existing hunger and malnutrition
  - Promoting inclusive and sustainable growth in the agricultural sector
  - Creating ecologically sustainable food systems
- Energy
  - Decentral energy access to affordable energy services for households, including clean cooking solutions
  - Productive use of renewable energy for small and medium enterprises, farmers and social institutions
  - Innovation (technology, finance and business)

And finally, the Young Experts themselves, who work for the participating partners, work towards a sustainable future as well. YEP provides them with an extensive training- and coaching programme and the SDGs are an import subject during of trainings, including SDG 13.

8.6 INBAR Bamboo Cooperation (4000003339)

The Dutch-Sino East Africa Bamboo Development Programme: Phase II was launched in April 2020. This three years' bamboo development programme being implemented in Ethiopia, Kenya and Uganda aims to enhance climate change mitigation benefits by developing inclusive and sustainable industrial and SME value chains, and fostering trade and investment between beneficiary countries, the Netherlands and China. In addition, the programme will create an enabling environment for bamboo industry

development and facilitate private sector investment in the bamboo sector of EUR 5 million in the coming years.

8.7 Rwanda NL Trade Facilitation (4000002582)

TRAIDE is the trade facilitation program of the Embassy with the objective to support Dutch companies operating or coming to Rwanda. TRAIDE seeks to contribute sustainable private sector development. Program activities include promoting Rwanda as an investment destination, market research, organizing trade missions, providing tailor-made support to Dutch businesses and strengthening of the Rwandan business climate.

9 Recommendations

9.1 Caveats in the current methodology to measure private mobilisation

- **Discrepancies between MDB and OECD DAC methodologies -** The methodologies on measuring private mobilisation developed by the MDB-group and the OECD DAC differ substantially. There is an ongoing dialogue between the OECD DAC and the MDBs to harmonise their methodologies. In April 2020, the OECD and MDBs have agreed to share data on private finance mobilised figures between the OECD and MDBs. This will make it possible to allocate the fair share of mobilisation via the MDBs to individual contributing countries. Individual arrangements between MDBs and the OECD to achieve this are still under development. We support this development as harmonisation would increase the comparability of global data. We hope that for next year's report more detailed mobilisation figures for climate will be available.
- **Methodologies to determine the relevance of climate finance (both public and private) can only provide an indication of the actual climate impacts -** Both the Rio marker methodology and the MDB methodology determine the climate relevance of a project upfront. As a result, the extent to which climate finance induces positive mitigation or adaptation impacts in the project implementation remains unmeasured. This applies for public climate finance as well as the corresponding mobilised private finance. Reporting on real carbon reduction gains seems almost impossible, nevertheless we think that both the current methodologies could be strengthened in this respect.
- **Risk of overestimating actual investments by reporting on commitments -** The OECD DAC methodology defines the commitments as the preferred point of measurement. This allows to easily connect public interventions to the corresponding mobilised private finance (usually based on project contracts). Various public administrations would not be able to report on mobilised private finance based on disbursements as this cannot always be tracked (due to confidentiality issues regarding financial information from private parties). Reporting on the base of commitments is therefore preferred. We note, however, that amounts reported based on commitments are on average substantially higher than actual disbursements and reporting on commitments causes larger fluctuations between reporting years. Although we encourage international harmonisation - and therefore support reporting on commitments – the potential overestimation resulting from reporting on commitments remains a risk.
- **Methodology does not optimally reflect mobilisation impact of public interventions -** Guarantees can facilitate private investments in climate action and development. We consider the impact of a guarantee on the realisation of a project (or business case) lower than the impact of grants or loans. However, guarantees can lead to identical levels of reported mobilised private finance (following the OECD DAC methodology), as other - more impactful - instruments. To illustrate this, a guarantee on a €1 million loan can mobilise the same amount of private finance as a €1 million grant, while the costs for a public authority to issue a guarantee (in general around 1%) - as well as the impact on a project - are much lower compared to the provision of a grant.
- **Maximising the amounts of mobilised private finance within the OECD DAC framework -** Since several years, donor countries have gradually put more emphasis on mobilised private finance both for development and for climate finance. We observe that, aside from this political development, the reporting method itself can influence the operational choices for

different instruments. This is the case when programmes aim to maximise the amounts of mobilised private finance within the given reporting rules of the OECD DAC framework. We note that it is unclear if (and to what extent) projects and financial instruments with a higher mobilisation potential (i.e. relatively low costs for the public administration and high amounts of mobilised private finance) generate more positive development / climate impacts than projects with a lower mobilisation potential. We consider this an important topic for future research.

9.2 Recommendations to the MFA for future reporting

- **Proactively support the alignment of OECD DAC and MDB methodologies -** The MDBs are responsible for almost half of the private climate finance mobilised by the Netherlands. Still, the reported figures of the MDBs possess a high degree of uncertainty. The Netherlands should actively engage with OECD and MDB's to make sure that the agreement on sharing more detailed information is translated in useful input for the Dutch reporting. We do foresee a problem with the year of reporting as MDBs figures via OECD will likely be too late for the current reporting practice. The MFA has to decide on how to solve this.
  The 2019 Joint report on Climate Finance has expanded its geographical coverage compared to last year, resulting in a division of the MDB climate finance commitments in two main groups: 1) Low-income and middle-income economies, and 2) High-income economies: a category that, according to the MDB Joint report, *'also includes climate finance for global, multi-regional projects when it is not possible to attribute these to a specific income group' (p.5).* [31] In 2019, 67% of total MDB commitments was for low-income and middle-income economies and 33% for high-income economies. In this year reporting, it was decided to include only the low-income and middle-income economies as per the objective of the UNFCCC and the Dutch MFA for climate finance. However, it remains to be seen if other countries have treated the information in the same way. We recommend the MFA to assess whether other countries have interpreted the information in the same way to increase the global comparability of the data.
- **Include the split between mitigation and adaptation in future reporting -** the Netherlands plays a very active role in setting the international agenda for adaptation and advocating for more adaptation finance worldwide. Although the public finance for mitigation versus adaptation is reported by NL, reporting on this split for *mobilised* private finance still needs improvement. For the Dutch funds & programmes and multi-donor funds & programmes that are using the OECD DAC Rio marker methodology for mitigation and adaptation, the data is already available as part of their reporting in the OECD template for reporting on private finance mobilised. In some cases, projects receive a marker "2" (100%) for both adaptation and mitigation. In those cases, it should be made clear in the presentation of the figures that these amounts cannot be added up. For the total mobilisation figure (regardless of whether this is adaptation or mitigation), only 100% can be counted. For multi-donor programmes and the MDBs, which are not using the Rio marker methodology for mitigation and adaptation, we encourage the MFA to collect information on their methodologies used to track mitigation and adaptation. In those cases, a tailored approach of the MFA is needed to calculate the split between private finance mobilised by the Netherlands for adaptation and mitigation. In the presentation of figures, it should be made clear how the methodologies deviate from the Rio marker methodology.

[31] 2019 Joint report on Multilateral Development Banks climate Finance

- **Increase awareness of biodiversity relevance of funds and programmes -** For 2020, the mobilisation for international biodiversity finance was measured for the first time. Some funds and programmes[32] indicated that they financed projects that were relevant for biodiversity considering the OECD Rio marker methodology, even though these projects did not receive a Rio marker from the MFA in the appraisal stage. We recommend increasing the level of awareness of the Rio marker for Biodiversity within the reporting process of the MFA and promote the inclusion of this marker with a principal or significant weighing in all relevant activities. For multi-donor funds and programmes, such as the GCF and GEF, and the MDBs, further research is needed on how they track biodiversity. According to the IDFC Benchmarking Report on Biodiversity Practices of Development Banks, there is no common methodology yet for MDBs to track their contributions to biodiversity.[33]
- **Evaluate effectiveness and impact of Technical Assistance (TA) in a separate assignment -** The OECD DAC methodology does not allow for reporting on mobilised private finance through TA programmes. We consider TA an impactful instrument in development finance as it contributes to the enabling environment for private investors. Yet, reporting on mobilised private finance resulting from TA remains challenging and susceptible to double counting. We recommend the MFA to evaluate TA contributions of funds and programmes, among which the ones described in section 8, more in depth to assess the impact and effectiveness of these contributions. A reliable method to include TA in calculating the mobilisation of private finance is not yet available.
- **Continue to value projects based on their actual development/climate impacts rather than on the amounts of mobilised private finance -** As explained in section 9.1, projects which mobilise relatively large amounts of private finance do not necessarily create more positive development/climate impacts than projects which mobilise relatively little amounts of private finance. We see that within the Netherlands MFA, the potential development/climate *impact* is the driving force in the investment decisions related to development and climate finance. We encourage the Netherlands MFA to pursue this policy.

9.3 Recommendations for capacity building within reporting organisations

- **Continue to use the OECD DAC reporting template[34] -** Most programmes and funds completed the OECD DAC reporting template themselves this year. We recommend the Netherlands MFA to continue encouraging the reporting organisations to use the template. The major advantage of the template is that it automatically applies the OECD DAC methodology on the inserted data and, as such, directly calculates the private finance mobilised by Dutch public interventions at project level (if used correctly). Moreover, the template encourages to report on project level data. This lowers the chances of double counting contributions, as it is transparent what organisations report as their own contributions versus the total public funding.

  The consequence of the gradual shift towards more independent reporting by programme managers is that it becomes increasingly challenging to assess the accuracy of the underlying data by third parties. We emphasise that it remains important to perform sufficient cross

[32] E.g.,Solidaridad and One Acre Fund
[33] The International Development Finance Club (IDFC) (October 2020). Benchmarking Report on Biodiversity Practices of Development Banks. Retrieved from: https://www.idfc.org/wp-content/uploads/2020/11/idfc-benchmark-on-biodiversity-practices-of-development-banks-1.pdf (22-03-21).
[34] OECD (2019). Rationalised template for collecting supplementary data on amounts mobilised from the private sector. *Shared by the OECD DAC*.

checks to assess the correct use of the template (e.g., through data cleaning and validation questions), as the template does not always match with the complexity of individual cases in practice. Validation or a form of 'judgement call' will remain required in the reporting process.

In line with a more independent reporting process, we provided instructions on the OECD methodology and the application of the methodology in the OECD reporting template, including frequently asked questions. For some specific cases, such as CIO, the OECD template is not entirely fit for purpose. For these cases, we included a description of how we deviated from the OECD methodology in the report. It is recommended to the MFA to offer support to these funds and programmes in future reporting cycles. Moreover, we recommend to the MFA to critically assess the reported figures in case of amounts of leverage that seem disproportionately high or low. In those cases, the policy officers of the MFA could follow up with the reporting organisations to discuss the *causality* between the public interventions and private mobilisation.

- **Inform funds and programmes very early in the process on policy priorities that will be tracked in next year's reporting -** In order to include new data compared to previous years, (e.g., the split between mitigation and adaptation or information on types of investors), the funds and programmes need to be made aware very early in the process in order to standardise the reporting on new indicators in their internal reporting processes. We recommend to the MFA to inform funds and programmes in the summer before the next reporting round on potential changes. FMO, for example, expressed that they are continuously working on standardising the reporting process when deals are reported.
- **Assign an internal M&E coordinator for organisations that manage multiple funds and programmes -** RVO and FMO manage multiple funds and programmes that participated in the assignment. To increase the efficiency of the reporting process within these organisations as well as in their communication to the MFA, we recommend appointing an internal M&E coordinator within RVO and FMO. Ahead of the assignment, this coordinator could support the MFA in updating the relevant programmes, including contact persons, and participate in early conversations with the MFA on new reporting requirements for next year's assignment. During the assignment, the coordinator could help centralising the data collection and submission to the MFA. After the assignment, the coordinator could archive information of relevance for future reporting (e.g., deviations of funds and programmes from the Rio marker methodology and other reporting challenges).
- **Focus on the new funds and programmes at the start of the next reporting round -** To increase the efficiency of the reporting process for the MFA as well as the reporting organisations, the MFA could plan a kick off meeting at the start of the assignment with the new funds and programmes only. This meeting will provide a general introduction of the assignment, the OECD methodology and the reporting template. For the funds and programmes that participated in the assignment multiple years, the written instructions and help desk function[35] will provide sufficient guidance.

[35] Through the helpdesk, the reporting organisations can get in touch with an expert team (at the MFA or externally) to ask tailored questions about the methodology to report on private finance mobilised and on how to report in the survey template during the reporting period.

Annex A - Glossary

Abbreviation	Explanation
2SCALE	Toward Sustainable Clusters in Agribusiness through Learning in Entrepreneurship
AEF-I	Access to Energy Fund
CIO	Climate Investor One
CCA	Clean Cooking Alliance
CRAFT	Climate Resilient Agribusiness for Tomorrow
DFCD	Dutch Fund for Climate and Development
DGGF	Dutch Good Growth Fund
DGIS	Directorate General for International Cooperation
DRIVE	Development Related Infrastructure Investment Vehicle
FDW	Sustainable Water Fund
FMO	Entrepreneurial Development Bank
G4AW	Dutch Geodata for Agriculture and Water
GAFSP	Global Agriculture and Food Security Programme
GAIN	The Global Alliance for Improved Nutrition
GWSP	Global Water Security Sanitation and Partnership
GCF	Green Climate Fund
GEF	Global Environment Facility
GSMEF	Global Small and Medium Enterprise Finance Facility
IDH	The Sustainable Trade Initiative
MFA	Ministry of Foreign Affairs
MoMo4C	Mobilising More for Climate
OAF	One Acre Fund
PIDG	Private Infrastructure Development Group
SDGP	Sustainable Development Goals Partnership Facility
YEP	Young Expert Programme

Annex B- Methodologies per intervention and how this is applied in this report

Public interventions can use various financial instruments. OECD DAC has developed methodologies[36] to estimate the private mobilisation for:

1. Guarantees;
2. Syndicated loans;
3. Direct investments in companies
4. Shares in Collective Investment Vehicles (CIVs);
5. Credit lines;
6. Standard grants & loans in simple co-financing arrangements
7. Project finance Special Purpose Vehicles (SPVs).

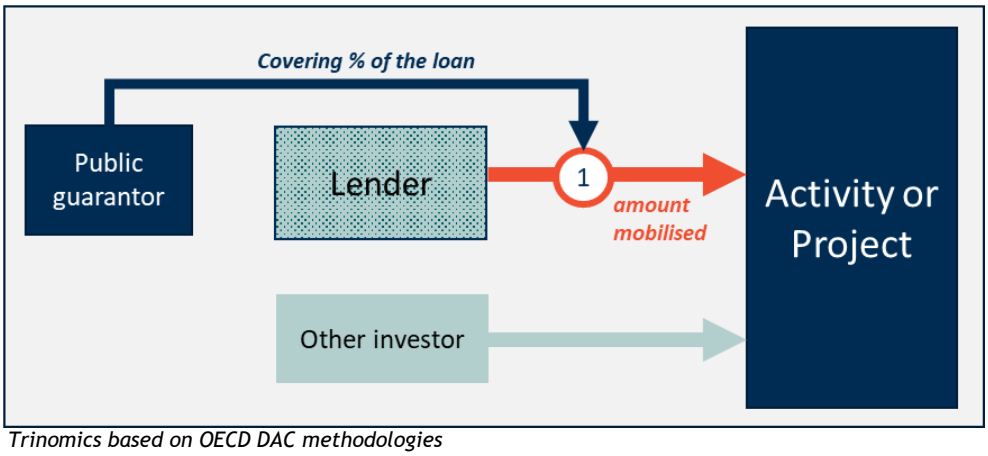
All instruments are described below.

Guarantees

OECD DAC Description:

Legally binding agreements in which the guarantor agrees to pay (a part of) the amount due on a loan, equity or other instrument in the event of non-payment by the obligor or loss of value in case of investment. In this report, the term guarantee refers to both guarantees and insurance schemes.

Figure 2-1 Schematic overview of methodology for guarantees



Source: Trinomics based on OECD DAC methodologies

Information needed:

Value of the private loan which is (partially) covered by the guarantee. Note that the entire loan provided by the lender (which is covered by the guarantee) counts as mobilised private finance (irrespective of the percentage of this loan which is covered by the guarantee).

[36] The instructions for the first five are described in OECD (2018). DAC methodologies for measuring the amounts mobilised from the private sector by official development finance interventions. Retrieved from: http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC-Methodologies-on-Mobilisation.pdf. The instructions for the last two are described in OECD (2019) Measuring and reporting om mobilisation. Retrieved from: http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC-Methodologies-on-Mobilisation.pdf

Applied to: DGGF track 1 (RVO), FMO-A, PIDG, AGRI3

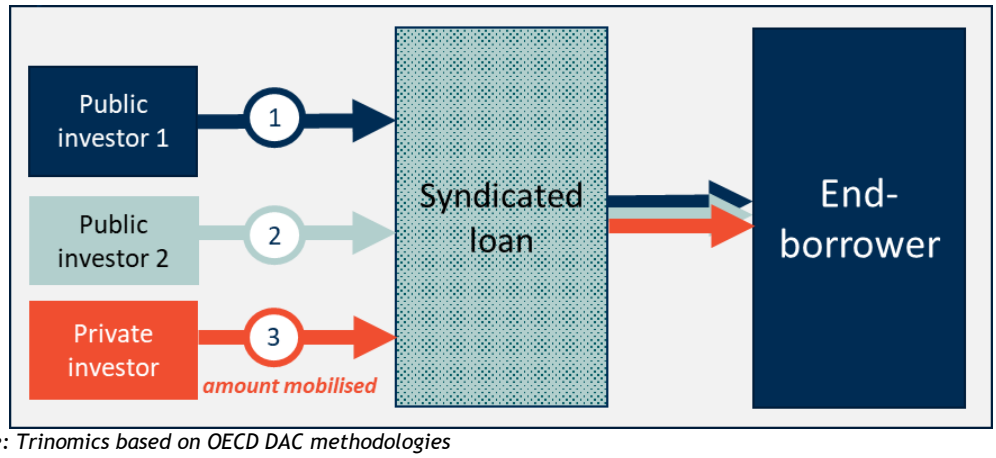
Syndicated loan

OECD DAC Description:

Loans provided by a group of lenders (called a syndicate) who work together to provide funds for a single borrower. The main objective is to spread the risk of a borrower default across multiple lenders, and thereby encourage private participation. A syndicated loan arranged by an official institution may include financing from the market through the so-called "A/B loan" structure. The official institution often retains a portion of the loan for its own account (A loan) and sells participations in the remaining portion to other participants (B loan). The borrower signs a single loan agreement with the lender. Official arrangers may also seek to syndicate "parallel loans" from other official institutions and participants that are not eligible participants for B-loans. In these cases, the official arranger identifies potential participants, structures the deals, and negotiates with the borrower in coordination with all parallel lenders.[37] 50% of the amounts mobilised are attributed to the organisation which leads the syndicate (the lead arranger), the remainder 50% is attributed to the other participants (pro-rata).

In the case of a private arranger, 100% of the amount mobilised is attributed to the official participants. The assumption is that private investors (including the arranger) would not have invested without the presence of official participants in the syndication.

Figure 2-2 Schematic overview of methodology for syndicated loans



Source: Trinomics based on OECD DAC methodologies

Information needed:

1. Value of A-loan committed by lead arranger;
2. Value of parallel loans committed by public institution(s); and
3. Value of B-loan(s) committed by private investor(s).

Applied to: FMO-A, FMO state funds

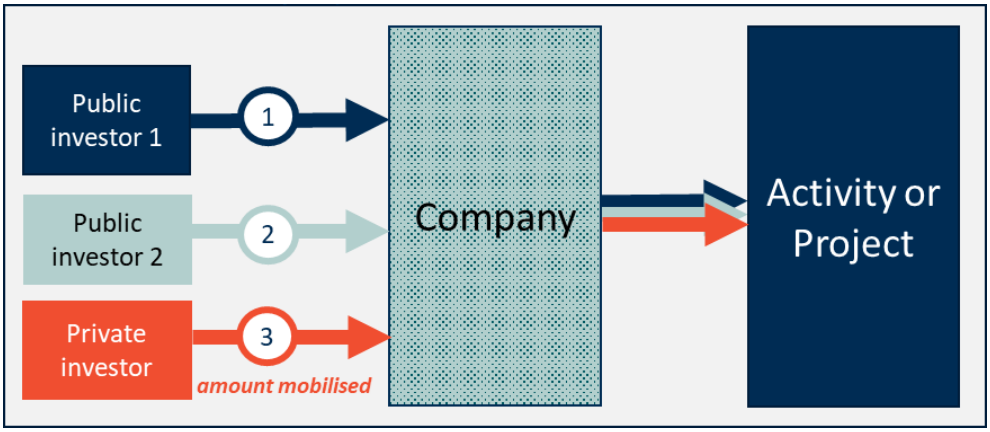
Direct investments in companies

OECD DAC Description:

[37] OECD (2018). DAC methodologies for measuring the amounts mobilised from the private sector by official development finance interventions.

In this report, direct investment in companies refer to on-balance sheet investments in corporate entities, which are conducted without any intermediary and which typically consist of or can combine the following instruments/mechanisms: equity, mezzanine finance and senior loans.

Figure 2-3 Schematic overview of methodology for investments in companies



Source: Trinomics based on OECD DAC methodologies

Information needed:

1. Value of equity and/or loans committed by each public investor, per financing round; and
2. Value of finance committed by private investor(s), per financing round.

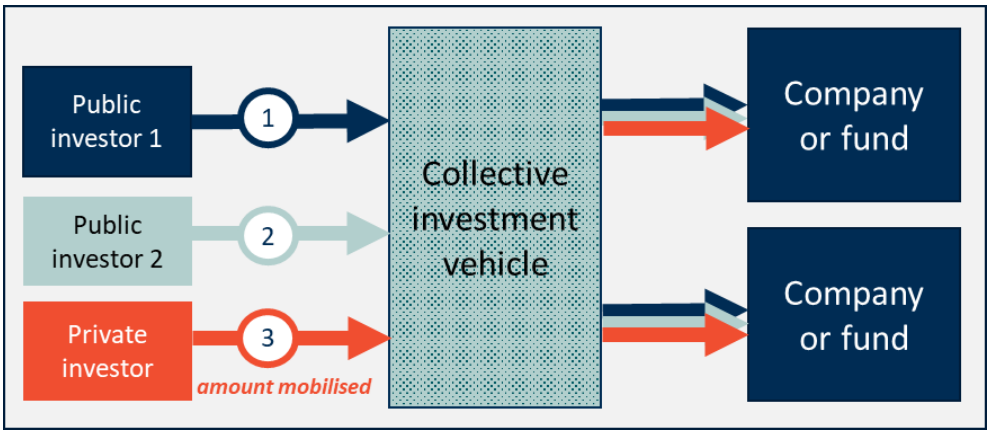
Applied to: FMO-A, FMO state funds, DGGF-1 (RVO), PIDG, Pharm Access, GWSP

Shares in collective investment vehicle (CIV)

OECD DAC Description:

CIVs allow investors to pool their money and jointly invest in a portfolio of companies. A CIV can either have a flat structure - in which investments by all participants have the same profile with respect to risks, profits and losses - or have its capital divided in tranches with different risk and return profiles, e.g. by different order of repayment entitlements (seniority), different maturities (locked-up capital versus redeemable shares) or other structuring criteria.[38]

Figure 2-4 Schematic overview of methodology for shares in collective investment vehicles



Source: Trinomics based on OECD DAC methodologies

[38] OECD (2018). DAC methodologies for measuring the amounts mobilised from the private sector by official development finance interventions.

Information needed:

For mobilisation at CIV level:

1. Value of equity and/or loans committed by each public investor, per financing round, with a clear division between investments in the riskiest tranche and investments in the mezzanine/senior tranche;
2. Value of finance committed by private investor(s), per financing round.

For 2nd level mobilisation from CIV:

3. Value of equity and/or loans committed by collective investment vehicle to company/fund;
4. Value of equity and/or loans committed by other public investor(s); and
5. Value of equity and/or loans committed by private investor(s).

With this information, the OECD DAC methodologies on investment in a company (in the case of a company) or shares in CIVs (in the case of a fund) can be applied for assessing the 2nd level mobilisation.

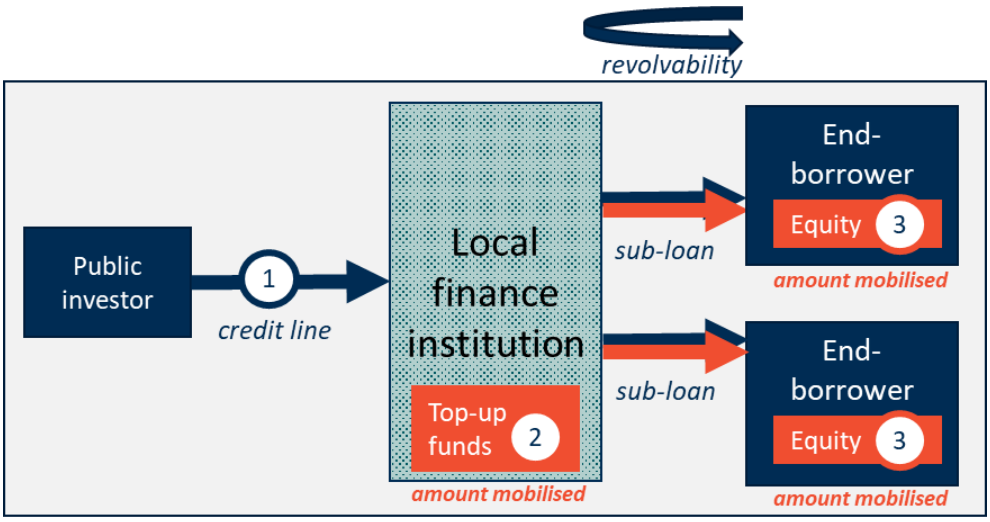
Applied to: DGGF track 2 (Triple Jump), FMO-A, FMO state funds, Sustainable Trade Initiative (IDH), Climate Investor One (CIO)

Credit lines

OECD DAC Description:

Refers to a standing credit amount which can be drawn upon at any time, up to a specific amount and within a given period. Borrowers decide how much of the agreed funding they wish to draw down and interest is paid only on the amount which is borrowed and not on the amount made available. The maturity of the official credit line is usually longer than that of the individual sub-loans extended by the LFI to its clients, allowing the LFIs to on-lend to local end-borrowers (companies, project developers, etc.) on a revolving basis during the lifetime of a credit line.[39]

Figure 2-5 Schematic overview of methodology for credit lines



Source: Trinomics based on OECD DAC methodologies

[39] OECD (2018). DAC methodologies for measuring the amounts mobilised from the private sector by official development finance interventions.

Information needed:

To calculate the first level of mobilisation:

1. Value of credit committed by public investor to local finance institution;
2. Value of top-up of funds committed by local finance institution.

To calculate the second level of mobilisation:

3. Average value (or percentage) of equity committed by end-borrowers.

To calculate the revolvability of the credit line: [40]

4. Tenor and grace period of the credit line;
5. Average tenor of loans provided by local finance institution; and
6. Average utilisation of credit line (%).

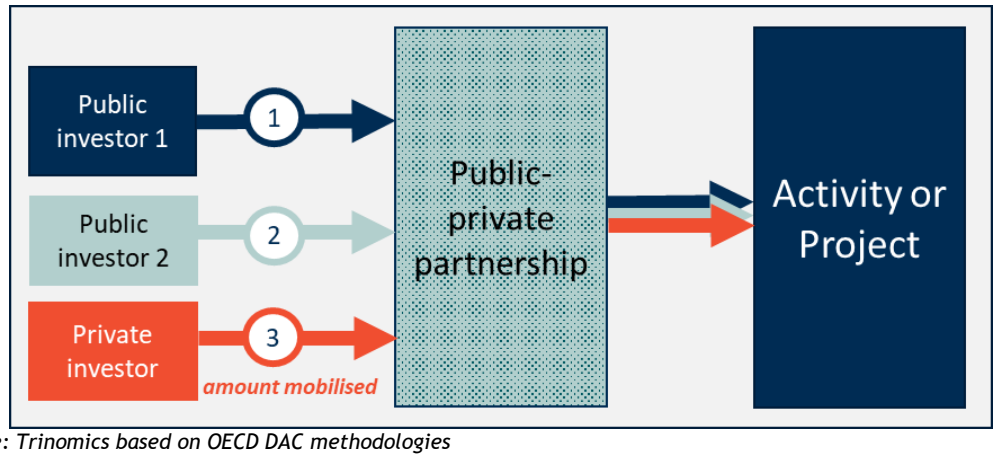
Applied to: Pharm Access (Medical credit fund)

Standard grants & loans in simple co-financing arrangements

OECD DAC Description:

These include various business partnerships, B2B programmes, business surveys, matching programmes, as well as result-based approaches. A causal link between a standard grant or loan and private co-investment can only be established when it can be demonstrated (through e.g. contractual agreements or project documentation) that the provision of public funds are conditioned to private sector co-financing or specific outcomes of private sector investments (in the case of result-based financing mechanisms).

Figure 2-6 Schematic overview of methodology for grant co-financing schemes



Source: Trinomics based on OECD DAC methodologies

Information needed:

1. Value of grant/loan awarded by the official institution;
2. Sum of public finance committed to the project (official institution+ public partners' grants/loans); and
3. Sum of private sector co-financing committed to the project (awarded enterprise co-financing or private outflow from a PPP + private partners' co-investment in the project).

[40] If the tenor of the sub-loans is shorter than the tenor of the credit line, they can revolve within the tenor period of the credit line.

Applied to: Aqua for All, Geodata for Agriculture and Water (G4AW), PSD Toolkit, Sustainable Development Goals Partnership facility (SDGP), FMO state funds, FMO-A, DGGF, Global Agricultural and Food Security Programme (GAFSP), Global Small and Medium Enterprise Facility (GSMEP), PSD MENA, Sustainable Trade Initiative (IDH), IDH ISLA, Farm Fit Fund, Solidaridad, DRIVE, One Acre Fund, Global Environment Facility (GEF), Green Climate Fund (GCF), GWSP.

Project finance in Special Purpose Vehicles (SPVs)

OECD DAC has developed instructions on how to avoid double counting in projects in which different financial instruments are used – such as in Special Purpose Vehicles (SPVs). Project finance SPVs may be combined with the financial instruments guarantees, syndicated loans and direct investments in companies.[41] This report has not applied this methodology and will therefore not provide all details here.

[41] OECD (2019) Measuring and reporting om mobilisation. Retrieved from: http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC-Methodologies-on-Mobilisation.pdf

Annex C - Methodology for Multilateral Development Banks

The analysis on the Dutch mobilisation of private finance through their share in the core contributions of the **Multilateral Development Banks** (MDBs) was only performed for *climate* finance as more information was not available from the MDBs. To calculate the mobilised private *climate* finance by the Netherlands through their contributions to the MDBs, two MDB windows are analysed separately, namely:

- **The concessional windows** provide financial resources on a "money-in, money-out" basis. This implies that they do not raise funds on the capital markets and as such they rely on regular replenishments (i.e. contributions) from donors;
- **The non-concessional windows** provide financial resources which are raised on international capital markets. Whereas financial products from the concessional windows have lower interest rates (and therefore are cheaper) than products from the non-concessional windows, products from the non-concessional windows still offer advantages over financial products from the private capital market (e.g. in terms of timing, the level of repayments and the duration of a loan).[42]

The following steps were taken to determine the mobilised private *climate* finance by the Netherlands through their contributions to the MDBs:

- **Step 1:** attributing the MDBs' climate finance resulting from **concessional loans** to the Netherlands;
  - Step 1a: determine the portion of the total donor contributions made in the latest replenishment cycle (x) and the portion of retained earnings from previous replenishment cycles (y), for the concessional windows per MDB;
  - Step 1b: determine the Dutch share in the current and historical replenishment shares, per MDB;
  - Step 1c: determine which part of the climate finance from the MDBs' concessional windows can be attributed to the Netherlands.
- **Step 2:** attributing the MDB's climate finance resulting from **non-concessional** loans to the Netherlands; and
- **Step 3:** estimating the mobilised private climate finance by the Netherlands through their contributions in MDBs by multiplying the result from step 1 and step 2 by the mobilisation factor.

Collected data

To determine the Dutch mobilisation of private *climate* finance through their share in the core contributions of the MDBs, data from the latest MDB joint report is used as the principle source.[43] To date, no report has been published on 2020. Therefore, the data from the 2019 report is used as a second-best option, which covers the fiscal year of 2019.

[42] https://www.oecd.org/environment/cc/Explanatory-note-attribution-TWG-methodology-climate-finance.pdf
[43] IDB (2019). 2019 Joint Report on Multilateral Development Banks Climate Finance. Retrieved from: https://publications.iadb.org/publications/english/document/2019-Joint-Report-on-Multilateral-Development-Banks-Climate-Finance.pdf

The 2019 Joint report on Climate Finance has expanded its geographical coverage compared to the 2018 report, resulting in a division of the MDB climate finance commitments in two main groups: 1) Low-income and middle-income economies[1], and 2) High-income economies: *a category that also includes climate finance for global, multi-regional projects when it is not possible to attribute these to a specific income group (p.5)*. In 2019, 67% of total MDB commitments was for low-income and middle-income economies and 33% for high-income economies.[1] In this year reporting, it was decided to include only the low-income and middle-income economies as per the objective the UNFCCC and the Dutch MFA for climate finance.

Four of the MDBs – The Asian Development Bank (AsDB), The African Development Bank (AfDB), The Inter-American Development Bank (IDB) and the World Bank Group (WBG) have a concessional window and a non-concessional window (see table 7-1).[44] The Joint Report does not make the distinction between the concessional and non-concessional windows. Even though it would be more accurate to base the private mobilisation calculation on separated data for either window, no official figures from the MDBs are available on the split between concessional versus non-concessional funding. Therefore, the split of concessional versus non-concessional funding was estimated based on the proportions reported in the 2014 version of this report (on climate finance).[45] As a result, the division between non-concessional and concessional funding should be regarded as an estimate only. Table 7-1 shows the total climate finance commitments in 2019, the estimated shares of the non-concessional and concessional windows and - based on the 2019 commitments and the estimated shares per window – the estimated climate finance commitments in 2019 per MDB.

Table 7-1 MDB Climate Finance in 2019 (*USD* million)

Bank	Total climate finance	Estimated % of non-concessional window (in total climate finance)	Estimated % of concessional window (in total climate finance)	Non-concessional window	Concessional window
AsDB	6,363	75%	25%	4,778	1,585
AfDB	2,993	67%	33%	1,999	995
EBRD	3,680	100%	0%	3,680	-
EIB	3,305	100%	0%	3,305	-
IDB (IDBG)	3,420	95%	5%	3,254	166
IDB Invest (IDBG)	1,259	100%	0%	1,259	-
IFC (WBG)	2,603	100%	0%	2,603	-
IBRD / IDA (WBG)	14,210			6,998	7,212
Total	**37,834**			**27,878**	**9,956**

Own calculation based on IDB (2019). 2019 Joint Report on MDB Climate Finance.

[44] The concessional windows for AsDB, AfDB, IDB and WBG are the Asian Development Fund (AsDF), African Development Fund (AfDF), IDBG (Inter-American Development Bank Group) and IDA (International Development Association) respectively.
[45] Proportions are based on MDB 2014 climate finance, information obtained through personal communication with the Multilateral Development Banks.

Attribution to the Netherlands: MDBs' concessional windows

Due to the structure of the MDBs, one cannot calculate the Dutch share in the total budget of the MDB concessional windows with a standard pro-rata attribution. This is because a significant part of the funding in the concessional windows stems from the reflows of previous funding cycles. Therefore, these previous (or historical) funding cycles should also be considered in order to assess the Dutch share in an MDB's concessional window to the best extent possible. In technical terms, this translates into the following formula[46]:

$$\left[\left[x\left(\frac{\text{Dutch contribution}}{\text{All contributions}}\right)_{\text{Current}}\right]+\left[y\left(\frac{\text{Dutch contribution}}{\text{All contributions}}\right)_{\text{Historical}}\right]\right] \text{ x Annual climate finance flow}$$

Step 1a. Calculating x and y - the portion of the balance sheet resulting from contributions in the latest (x) and historical (y) replenishments

The financial resources of the concessional windows are twofold:

1. The portion of the institution's balance sheet resulting from donor contributions made in the latest replenishment cycle (labelled as "x"); and
2. The portion of the institution's balance sheet resulting from the retained earnings from previous replenishment cycles which can be used to finance new projects (labelled as "y").

The replenishment cycles that were used in last year's report are still ongoing in 2019 (see table 7-3 for an overview of periods), which implies that the split between x and y for the concessional window remains the same compared to last year's report.[47] The shares were calculated based on the methodologies applied by the OECD in 2015 for the report *Climate Finance in 2013-2014 and the USD 100 billion goal*.[48] For the IDB Fund for Special Operation, it is not possible to make the split in x and y.

Table 7-2 x and y for the concessional windows

Concessional window	X	Y	Source
AsDF	67.6%	32.4%	ADF-XII Donors' report
AfDF	73.7%	26.3%	ADF-14 Replenishment report, Annex 1
IDA	56.0%	44.0%	IDA-18 Replenishment report, paragraphs 143 and 144

Source: own research based on OECD method

Step 1b. The Dutch share in x and y

The attribution of the private *climate* finance mobilised by the MDBs' concessional windows is based on the share of the Netherlands in the current replenishment cycle (x) and the average share of the Netherlands in the past replenishment cycles (y). This is shown in respectively Table 7-3 and Table 7-4. The capital shares in the latest replenishment cycle in Table 7-3 were provided by the Netherlands MFA and the shares in Table 7-4 are calculated based on public data. IDB's replenishment cycle ended by 2015, but a new cycle (IDB-10) has not started so far.

[46] OECD (2015). Climate Finance in 2013-2014 and the USD 100 billion goal, Annex F.
[47] Although new replenishments have been announced for IDA-19, AfDF-15, and AsDB-XIII, they are not considered in the report, because the commitments cover a period after 2019.
[48] OECD 2015, Climate Finance in 2013-2014 and the USD 100 billion goal.

Table 7-3 Latest replenishment cycle

Bank	Concessional window	Period	Cycle	Share NL
AsDB	ADF	2017-2020	12	0.53%
AfDB	ADF	2017-2019	14	3.56%
IDB	FSO	2011-2016	9	0.20%
WB	IDA	2017-2020	18	2.89%

Source: The Netherlands MFA

Table 7-4 Historic replenishment cycles

Bank	Concessional window	Period	Cycles	Currency	Contribution NL	Total donor contributions	Share NL
AsDB	ADF[49]	2017	1-11	USD	736.000	33,897.000	2.2%
AfDB	ADF[50]	2017	1-13	UA	1.262	30.062	4.20%
IDB	FSO[51]	2009	1-8	USD	36.937	9,762.320	0.38%
WB	IDA[52]	2017	1-17	USD	8,471.475	237,875.932	3.56%

Sources: Provided in footnotes

Step 1c. Calculating the Dutch attribution

Table 7-5 shows the calculations which were used to determine the climate finance spending funded by the MDBs' concessional windows and which of those are attributable to the Netherlands. Note that this table does not show the *private* climate finance *mobilised* by the MDBs' concessional windows (this will be shown in Section 7.4).

Table 7-5 Dutch shares in MDBs concessional windows and attribution of climate finance

Bank	Total climate finance	X	Y	Nl % in X	NL % in Y	Attributed to NL (USD m)	Attributed to NL (€ m)
AsDB	1,584.727	0.676	0.324	0.53%	2.29%	17.426	15.300
AfDB	993.501	0.737	0.263	3.36%	4.20%	37.036	32.518
IDB	165.984	-	-	0.24%	0.38%	0.377	0.331
WB	7,211.909	0.560	0.440	2.71%	3.56%	229.748	201.718
Total	**9,956.120**	**-**	**-**	**-**	**-**	**284.586**	**249.867**

(a) $Attribution\ to\ NL = Total\ climate\ finance\ (X * NL\%\ in\ X + Y * NL\%\ in\ Y)$

Attribution to the Netherlands: MDBs' non-concessional windows

To determine the mobilised private *climate* finance attributed to the Netherlands based on contributions to the MDBs' non-concessional windows, the Dutch capital shares in the banks are used. The formula that is proposed by the Technical Working Group (TWG) is slightly more complex[53], but ultimately results in the same figures for the Netherlands as the Dutch shares in the banks. The Netherlands MFA provided the shares of the Netherlands in the non-concessional window.[54] .

[49] https://www.adb.org/sites/default/files/institutional-document/650011/adb-annual-report-2019.pdf
[50] https://www.afdb.org/en/documents/financial-report-2019
[51] http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=35291148
[52] https://www.rijksoverheid.nl/binaries/rijksoverheid/documenten/rapporten/2017/01/31/ida18-deputies-report-additions-to-ida- resources-eighteenth-replenishment/ida18-deputies-report-additions-to-ida-resources-eighteenth-replenishment.pdf
[53] OECD (2015). Climate Finance in 2013-2014 and the USD 100 billion goal, Annex F.
[54] Please note that the capital shares of the Netherlands are used. This can slightly differ from the voting shares of the Netherlands.

Table 7-6 shows the climate finance from the MDBs' non-concessional window, which can be attributed to the Netherlands (based on the Dutch capital shares in the MDBs).

Table 7-6 Dutch shares in MDBs non-concessional windows and attribution of climate finance

Bank	Total	NL %	Attributed to NL (USD m)	Attributed to NL (€ m)
AsDB	4,778.273	1.11%	59.075	51.867
AfDB	1,999.499	0.85%	20.352	17.869
EBRD	3,680.000	2.50%	98.075	86.110
EIB	3,305.000	5.21%	185.212	162.616
IDB (IDBG)	3,254.446	0.20%	6.870	6.032
IDB Invest (IDBG)	1,259.211	0.67%	8.904	7.818
IFC (WBG)	2,603.000	2.38%	62.832	55.166
IBRD (WBG)	6,998.091	2.07%	154.433	135.592
Total	**27,877.521**		**595.752**	**523.070**

*(b) Attribution = Total climate finance * NL %*

Estimating mobilised private climate finance

The previous steps calculated the MDBs' spending for climate finance purposes (and the shares which are attributable to the Netherlands) from the concessional windows and non-concessional window respectively. However, these calculations do not show the private mobilisation through the MDBs. In order to estimate the mobilised private climate finance through the Dutch contributions in the MDBs, a mobilisation factor is applied. In the OECD report *2020 Projections of Climate Finance Towards the USD 100 Billion Goal*[55], estimates of private co-finance attributable to developed countries are given for the years 2013-2014.[56] Ideally, this report would use updated estimates from more recent years. These are, however, not available. For this reason, the estimated mobilisation factor for 2013-2014 is used in this report, which is mainly applied to the MDBs, but also to several multilateral funds such as the GEF and CIFs). This estimated mobilisation factor equals 0.42. This mobilisation factor implies that for each €1 of climate finance provided by the MDBs, private sector actors provide €0.42 of climate finance. A sensitivity analysis was performed based on preliminary (and confidential) OECD data on the amounts mobilised from the private sector by the MDBs in 2018. This analysis confirmed that a mobilisation factor of 0.42 does not significantly overestimate the mobilised private *climate* finance for all six MDBs for which data was available in 2018.

[55] OECD (2016). 2020 Projections of Climate Finance Towards the USD 100 Billion Goal. Retrieved from: https://www.oecd.org/environment/cc/oecd-climate-finance-projection.htm

[56] This mobilisation factor is based on the average ratio of attributed private co-finance/total public climate finance commitment for the years 2013-2014. Public finance includes outflows from the MDBs and multilateral funds such as GEF and the CIFs. OECD 2016, "2020 projections of Climate Finance towards the USD 100 billion goal: Technical Note"

Trinomics B.V.
Westersingel 34
3014 GS Rotterdam
The Netherlands

T +31 (0) 10 3414 592
www.trinomics.eu

KvK n°: 56028016
VAT n°: NL8519.48.662.B01