

# Estimating the GHG impacts of Dutch international climate finance efforts

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*TEC8228*

*Dutch Ministry of Foreign Affairs (MFA),  
Directorate-General for International  
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Trinomics 



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# Summary

Climate change is a global issue that requires all countries to both mitigate and adapt to its effects. The Dutch government actively contributes to international efforts through climate diplomacy and finance. The financial needs to achieve the global climate transition are substantial and growing. Under the UNFCCC climate convention, developed economies have pledged to assist developing economies with climate finance. However, while countries are required to report their climate finance and much of the focus has been on reaching the quantities for the USD 100 billion target, there is currently no internationally defined or accepted mechanism nor requirement to track the mitigation impact of this finance. The Netherlands has long been a pioneer in both providing climate finance and in reporting its contributions.

The aim of this report was to estimate the mitigation impact of greenhouse gas (GHG) emissions that can be attributed to Dutch climate finance. In this first analysis phase, the focus is on nine larger funds and programs, with the objective of estimating their potential annual and cumulative results for 2030 and 2040. This is a novel area in climate finance reporting, and a significant portion of the work involved developing a reasonable methodology and mapping the mitigation impact from the various funds and programs. The nine selected activities cover organisations that already report their mitigation contributions and represent the diversity of topics covered within the climate finance portfolio. Much of the research involved understanding and harmonising these figures to reach a cumulative estimate. The approach taken in this study has been designed to minimize the risk of over-estimation and to ensure a careful outcome.

While this research provides an estimate rather than a precise figure due to various assumptions and simplifications, the findings—largely based on third-party data—indicate that Dutch climate finance significantly contributes to global mitigation efforts. The nine activities examined in this study accounted for 13% of total Dutch climate finance and 14% of total Dutch mitigation finance in 2023. This excludes additional Dutch efforts aimed at raising global climate ambition, such as climate diplomacy. The results are shown in Table 1-1 below:

Table 1-1 Results: mitigation attributed to Dutch climate finance for nine funds and programs

Unit/Year	2015	2023	2030	2040
Annual million tCO <sub>2</sub> e	0,93	5,60	7,85	10,13
Cumulative million tCO <sub>2</sub> e	0,93	24,56	72,93	165,72

This type of analysis will become increasingly important as new climate finance targets are established and the urgency to reduce emissions intensifies. Although this report focuses solely on the mitigation impact of climate finance, it is crucial to recognise its broader positive outcomes, including energy access, gender equality, forest restoration, food security, water access, and other areas related to human well-being and the health of our shared planet.

# 1. Introduction

Climate change is a global issue that transcends borders, and global greenhouse gas (GHG) emissions must be reduced by at least 43% by 2030 compared to 2019 levels to achieve net-zero by 2050<sup>1</sup>. This transition requires all countries to both mitigate and adapt to climate change. The Dutch government is – next to its national efforts - involved on multiple fronts, actively contributing to international efforts through climate diplomacy and climate finance<sup>2</sup>. Given the Netherlands' commitment to tackling climate change both nationally and globally, understanding the impacts of its international climate finance is important. This study aims to fill a gap by examining the mitigation effects specifically attributable to international climate finance provided by the Netherlands.

The Ministry of Foreign Affairs (MFA) seeks to elevate its national reporting on international climate finance by commissioning this study, which estimates the mitigation impact (GHG reductions) of the Dutch climate finance efforts. This study is a first of its kind, and significant attention has been devoted to develop the methodology and the underpinning assumptions and choices necessary to develop a workable approach. It must be emphasized that this is far from easy due to many reporting discrepancies and lack of a harmonised methodology applied internationally; thus, the presented figures are mainly an estimation with a certain range rather than precise figures. The team has been instructed to choose the methodology and assumptions in order to minimize the likelihood of overestimation. This analysis does not include all Dutch international climate finance; instead, it specifically focuses on nine funds and organisations that report on their greenhouse gas (GHG) reductions.

This report is part of the ongoing project funded by the Dutch Ministry of Foreign Affairs (MFA), in which Trinomics supports the Dutch government in evaluating climate mitigation efforts through Dutch international climate finance. The report presents the initial findings from the first phase of analysis, which focuses on the GHG emission reductions achieved by nine selected funds supported by the Netherlands.

## 1.1. Reading Guide

This report is structured as follows:

- ✓ **Section 1** (the current chapter) provides an introduction to the project, including its objectives and context.
- ✓ **Section 2** presents an update on the methodology based on the scoping and methodology-refinement work carried out during the inception phase.
- ✓ **Section 3** provides the cumulative findings of the report summarizing the key findings and insights.
- ✓ **Section 4** provides the analysis and findings per fund.
- ✓ **Section 5** presents the conclusions drawn from the findings and offers recommendations for future actions and project deliverables.
- ✓ The **Annex** includes references per fund.

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<sup>1</sup> AR6 Climate Change 2022: Mitigation of Climate Change — IPCC (<https://www.ipcc.ch/report/sixth-assessment-report-working-group-3/>)

<sup>2</sup> International Climate Strategy published in 2022.

## 1.2. Context

The global climate transition requires substantial investments from both public and private sources worldwide. Ultimately all financial flows and investments must align with the 1,5-degree temperature target outlined in the Paris Agreement (Article 2.1c)<sup>3</sup>. Additionally, significant investments are required in developing economies, which need to grow their economies and welfare systems while mitigating and adapting to climate change. Unfortunately, developing economies are generally disproportionately vulnerable to climate impacts, facing substantial costs for adaptation and loss and damage. Furthermore, investments in mitigation technologies, such as renewable energy, often come at a higher cost in developing economies due to exaggerated perceived risks<sup>4</sup>.

Climate finance is a key element of the Paris Agreement as outlined in Article 9, with a target set during COP21 to mobilise USD 100 billion per year between 2020 and 2025, and split between mitigation and adaptation finance. The concept of climate finance and the required USD 100 billion per year was first formulated in 2006 at the first ever 'climate finance' conference for the financial world (organised by the Dutch government (VROM)<sup>5</sup>: 'Make Markets work for Climate'). It was later incorporated into the COP15 agreement in 2009. Currently, negotiations are underway for a new target, the New Collective and Quantified Goal on Climate Finance (NCQG), which should be finalized at COP29 in 2024.

The Netherlands has consistently provided substantial climate finance and support to countries for their mitigation and adaptation efforts. Furthermore, over the past 18 years, the Netherlands has been actively involved in setting up realistic and harmonised reporting mechanisms amongst others at the UNFCCC, EU, and OECD levels. While donor governments report their climate finance, the current climate finance architecture does not require them to report the associated GHG emission reductions. The primary focus has been on tracking progress towards the USD 100 billion target through public spending and mobilised private investments, with less emphasis on monitoring and reporting the actual climate impact of international climate finance, both in terms of mitigation and adaptation outcomes.

International support marked with the Rio marker for mitigation does not always have mitigation as its primary objective. The financing is largely part of the development cooperation aid budget and hence, can have multiple objectives and contribute to various SDGs, such as gender equality, food and water security at the same time. This integrated approach is particularly valuable as the recipient countries often face numerous socio-economic challenges in addition to climate change.

Dutch public international climate finance contributions have steadily increased over the years, as presented in Table 1-1, with a balanced focus on both mitigation and adaptation finance. Of the total Dutch public climate finance provided in 2023, 61% was adaptation finance, and 37% mitigation finance. Mitigation finance is determined in two ways: the OECD sets the mitigation and adaptation shares for GEF, GCF, and IFAD, while the Rio markers are used to determine the remainder. The Rio marker system was established by the OECD to monitor the implementation of the three legally binding conventions signed at the Rio Earth Summit in 1992. The system includes four markers: biodiversity, desertification, climate mitigation, and climate adaptation, each assessed at three levels:

<sup>3</sup> ADOPTION OF THE PARIS AGREEMENT - Paris Agreement text English ([unfccc.int](https://unfccc.int))

<sup>4</sup> The challenges of financing the energy transition in developing economies | World Economic Forum ([weforum.org](https://www.weforum.org)), An-FX-Guarantee-Mechanism-for-the-Green-Transformation-in-Developing-Countries.pdf ([climatepolicyinitiative.org](https://climatepolicyinitiative.org))

<sup>5</sup> Ministerie van Volkshuisvesting, Ruimtelijke Ordening en Milieubeheer

not targeted, significant objective, and principal objective<sup>6</sup>. Donors use these markers to track their financing effectively.

Table 1-1 Dutch climate public finance

Dutch public climate finance (EUR million)	
2023	925 <sup>7</sup>
2022	795 <sup>8</sup>
2021	638 <sup>9</sup>
2020	596
2019	570
2018	578
2017	394
2016	472
2015	428
2014	352
2013	460
2012	466
2011	407
2010	182 <sup>10</sup>

### 1.3. Project objectives and scope of the assignment

The main objective of this study is to answer the overarching research questions: “**what is the emission reduction of GHG that can be attributed to the Netherlands as a result of the Dutch international finance for climate?**”. This will be assessed by evaluated by addressing the following research questions:

- 1) *The analysis should lead to an estimate of the order of the **magnitude of the emission reduction of GHG in the year 2030** of which we could say that it is more likely that the impact of the interventions financed by the Netherlands will be above this number than that it will be below this number.*

<sup>6</sup>OECD Statistics on External Development Finance Targeting Environmental Objectives Including the Rio Conventions, (<https://web-archive.oecd.org/temp/2023-05-22/658061-rioconventions.htm>).

<sup>7</sup> HGIS Jaarverslag 2023 (overheid.nl), (<https://open.overheid.nl/documenten/59af950a-db9b-4e67-aaa4-0631896391d3/file>).

<sup>8</sup> HGIS jaarverslag 2022 CoRIA (overheid.nl), (<https://open.overheid.nl/documenten/ronl-ac63e5e50b1ead3bdf1738dc36ab73de49f7f512/pdf>).

<sup>9</sup> HGIS Jaarverslag 2021 (overheid.nl), (<https://open.overheid.nl/documenten/ronl-ec4406a3b5e5590a9a3b9a03fabbd64f9c84397d/pdf>).

<sup>10</sup> 2013-2010 Evaluation of climate finance - Funding commitments in transition | Report | Policy and Operations Evaluation Department (IOB) (iob-evaluatie.nl), (<https://english.iob-evaluatie.nl/results/publications/sub-studies/2021/06/29/funding-commitments-in-transition---dutch-climate-finance-for-development-2016-2019>)



- 2) *In addition, the analyses should provide a similar indication of the order of magnitude of the expected **emission reduction of GHG for the year 2040.***

### 1.3.1. Scope

This research focuses specifically on climate mitigation finance. Given the extensive range of mitigation activities funded by the Dutch government, the study narrows its scope to funds and portfolios related to access to sustainable energy and forestry. In the Phase I report, the focus is on the GHG emission reductions of the nine funds and organisations that already report their climate mitigation impact. The study relies on the figures provided by the funds as much as possible and does not aim to compare or evaluate the methodologies used by different funds, nor to compare the mitigation impact per euro invested. Each fund has valid reasons for its reporting approach and distinct core objectives. The report looks at both annual and cumulative figures. Hereafter, funds and organisations are referred to as 'activities'. The analysis covers the period from 2015 to 2040, assuming that Dutch international climate finance remains consistent with 2023 levels beyond that year.

Phase I looks at the nine activities presented in Table 1-2.

Table 1-2 Funding activities

<b>Climate Funds</b>	<ul style="list-style-type: none"> <li>• Global Environment Facility (GEF)</li> <li>• Green Climate Fund (GCF)</li> </ul>
<b>Access to renewable energy &amp; clean cooking</b>	<ul style="list-style-type: none"> <li>• Energising Development (EnDev)</li> <li>• Result-Based Financing facility for energy access (SDG 7 Results)</li> <li>• Energy Sector Management Assistance Program (ESMAP)</li> <li>• IFC Climate Advisory Partnership (IFC – CAP)</li> </ul>
<b>Forests</b>	<ul style="list-style-type: none"> <li>• Amazon Bioeconomy and Forest Management Multi-Donor Trust Fund of the InterAmerican Development Bank (IDB-MDTF)</li> </ul>
<b>Food security</b>	<ul style="list-style-type: none"> <li>• International Fund for Agricultural Development (IFAD)</li> </ul>
<b>Water</b>	<ul style="list-style-type: none"> <li>• Water and Energy for Food Grand Challenge (WE4F)</li> </ul>

#### *Nine activities in Phase I:*

The overall Dutch international climate funding is well larger than the nine activities researched in Phase I. As we did not look in detail to other remaining climate finance activities, we have not included this in the total of this report. We do however provide an estimate in Section 5 of the text, based on the share of climate finance that these fund cover, which is 14% of total Dutch mitigation finance, reported by the MFA.

## 1.4. Complexity of the assignment

This report looks at nine activities that already report on their mitigation impact. The assignment is to try and compile these figures and estimate the future annual and cumulative results.

Reporting on the mitigation impact that can be attributed to a country's climate finance to date and for future scenarios, is a pioneering effort and, to our knowledge, has not been undertaken on this scale before. This process requires numerous assumptions and extrapolations, making this study an initial attempt to develop a methodology and assess existing information. The results should therefore be regarded as preliminary estimates that provide an indication of the scale of impact rather than precise figures. The approach taken in this study has been designed to minimize the risk of over-estimation and ensure a careful outcome. This work aims to inspire and contribute to the discussion on climate impacts of international climate finance contributions within the global climate finance community. Below are some of the complexities explained.

### *Reported mitigation impact*

The complexity of the assignment increases as organisations apply different methodologies to calculate or compile their mitigation figures. Furthermore, the reported GHG emission reductions for many activities often include reductions from co-financing, not isolating the GHG emissions specifically attributed to the funding alone. While investments in these activities can enable private sector financing by offering crucial support in challenging investment landscapes, the attribution of mitigation impacts has been stringent, valuing each euro of investment equally. Therefore, only the mitigation impact corresponding to the Dutch attribution of the total financing will be accounted for. Furthermore, GHG accounting often involves making assumptions and selecting specific indicators, such as emission factors, project lifetimes, and attribution methods. This means that, for most activities, we are applying assumptions to data that already contains underlying assumptions. The assumptions used are listed per fund in Chapter 4. We emphasize that we based our calculations on the GHG impact as reported by the activities and we can thus not take full responsibility for the final outcomes.

### *Ex-ante and ex-post*

Many of the funds and organisations report on their activities ex-ante rather than ex post, this is also what this study does when estimating future GHG emission reductions as a result of Dutch climate finance contributions. As a result we are reporting on anticipated or target numbers rather than actual numbers. However, a few activities do report ex post. Hence, to estimate for the year 2030 and 2040 a mixed method of ex post and ex ante has been applied.

### *Annual emissions reductions and financing*

Estimating the annual GHG emission reductions directly attributable to Dutch climate financing is challenging, as the receipt of funding does not immediately result in GHG reductions. It takes time to invest in suitable projects and in the case of so called 'fund in fund' investments there is a further delay. Additionally, once a project is approved, it may take 2 to 15 years before it is fully implemented, depending on factors such as organisational processes and project type. Not all funds are clear on this aspect. We were not able to correct for this everywhere and hence there is some uncertainty and inaccuracy on the actual starting point. However, this has only a very limited impact on the 2030 figures as it is mainly a shift in the annual figures.

Many of the activities invest in both mitigation, adaptation, capacity strengthening and technical assistance activities. The Dutch international climate funding in phase I is mainly core funding covering a variety of activities.

Additionally, this tracking depends on the availability of data. For this study, it was assumed that the Dutch share of the total contribution correlates with the share of the mitigation impact.

The Dutch climate finance covers mitigation, adaptation and cross-cutting activities. This study reports on total climate finance and not solely mitigation finance. While 38% of all climate finance was marked as mitigation in 2023 we do not have this data for all years. The balance between international climate finance for mitigation and adaptation has, over the years, been skewed towards mitigation. The Netherlands has made significant efforts to increase its share of adaptation finance. Therefore, it is highly likely that the share of mitigation finance was greater in the earlier years of this period.

These factors mean that linking the Dutch funding with the attributed mitigation results presented in this study (Section 4) to determine a ton/euro ratio is not feasible. Dutch funding in a given year does not directly correspond to the GHG emissions reductions achieved in that same year or the following year. This comparison can be made at the activity level over the longer term and will be explored further in Phase II of the study.

#### *Technical assistance (TA)*

In the world of climate finance, technical assistance (TA) plays a unique and crucial role in capacity building through advisory and by strengthening technical and institutional capabilities to address the effects of climate change and transition to low-carbon economies. It also helps create the enabling environment necessary for a just transition, essentially ensuring that the conditions are in place to foster the longevity and effectiveness of the climate finance projects invested in. TA can take many different forms, from policy development and capacity building to the support of research and development and education.

While it is a highly relevant activity and should be reported, TA alone does not directly result in GHG emission reductions. It is important to distinguish between general TA, which has no direct connection to a mitigation investment project (e.g. technical assistance to a ministry for developing a climate strategy, the development of a regulatory framework), and TA that is closely tied to a specific project (e.g., during the pre-final investment decision (FID) phase of a project).

In this study, GHG emission reductions related to the second type of TA have been included, provided that the underlying methodology ensures only a reasonable share of the reductions is attributed to the TA, or we have reasonable share in the final results. This is crucial because the majority of GHG reductions are primarily achieved through the overall investments in the project.

#### *Project lifetime*

The lifetime of a project is an important factor in estimating how long it will deliver GHG reductions. Lifetime is based on project level and an estimate. There are high uncertainties related to this as organisations and project developers take different approaches when specifying the lifetime. This determines the ex-ante reporting, where many activities report the GHG emissions that will be achieved in the lifetime of the project with that one year's or replenishment cycle's investment. Larger activities encompass a variety of project types. Since this study did not analyse individual projects, the chosen approach is explained in Section 2.1. Particularly in the AFOLU sector, uncertainties are high due to factors such as crop rot, forest fires, and illegal logging, which can significantly impact the project's effectiveness in reducing greenhouse gas emissions.

#### *Future projections*

This study analyses the mitigation outcomes for 2030 and 2040, incorporating future projects under the assumption that Dutch climate financing remains at 2023 levels. Predicting future financing and

the approval of mitigation projects beyond 2023 adds complexity. While there are multiple approaches to consider, none is definitively correct. In this study, we have adopted a cautious approach, which is further detailed in 2.1.

## 2. Methodology

This section explains the methodology that was developed to answer the research questions while considering the complexities outlined in Section 1.

### 2.1. Overall assumptions

In this chapter, we outline the key assumptions and foundational principles used in the preliminary calculations for all activities presented in Section 3.

#### *Attribution*

Most activities have documented sources on co-financing. To determine the attribution factor linked to Dutch climate finance, the study considered three key factors:

- Total expenditures or approved project funding
- Share of activity's financing versus co-financing
- The Netherlands share of the activities' financing.

Since it is challenging to determine the exact Dutch share of expenditures on a year-by-year basis, the analysis relies on the Dutch share of funding for the activity as specified in annual and replenishment reports and/or stated by the MFA. The share is calculated either over a replenishment cycle or on an annual basis, depending on the type of activity. This does not exactly correspond to the share of Dutch financing in the activity's mitigation finance.

#### *Estimating future funding and emission reductions*

The objective is to estimate the mitigation impact of Dutch climate finance in the years 2030 and 2040, which entails assessing future financing. The analysis is based on the assumption: what would be the mitigation impact of Dutch climate finance in the year 2030 and 2040 if it continues at 2023 levels? This approach assumes that the most recent annual mitigation impact will continue at the same level. However, this assumption is not applied to programmes that are near their end. This was applied to the SDG 7 facility and WE4F, where discussions with the organisation revealed that the programs are set to be discontinued in a specific year. In cases where the 2023 figure was a significant outlier, data from another year was used instead. This is explained for each fund.

While there are valid reasons to anticipate either an increase of Dutch climate finance (due to greater needs, the fairness discussions at COP, etc) or a decrease (due to current Dutch politics, geopolitical development, etc.), we have opted for a middle-ground approach, assuming that the funds and the Dutch contribution to these funds will remain stable. Given the substantial financial resources required to address mitigation, adaptation, and loss and damage, it is reasonable to expect that the NCQG will significantly exceed the previous USD 100 billion target.

#### *Project lifetime*

Investors often report their GHG emission reduction impact at the time of investment, but the actual reductions occur over the following years (5, 10, or 20 years) as the project becomes operational. The timeline for these reductions varies depending on the technology used. Since this study focuses on

annual emission reductions, we analysed each fund and applied an average duration for GHG reduction. While this approach is not perfectly accurate, it aligns closely with the reporting practices of the funds themselves. In cases where a specific duration period wasn't provided, we made an educated and careful estimation based on the type of activities funded and compared these with similar funds. The focus is on overall emission reduction figures as reported by the funds, appreciating that the funds apply different methodologies for calculating their realised GHG emission reductions, rather than evaluating each project individually as those data would be largely confidential. As a result, we have to accept that this approach increases the use of assumptions and leaves room for inaccuracies; but these can be both upward and downward reducing thus the overall impact on the outcome.

#### *Cumulative and annual*

The study reports on both annual GHG emission reductions and cumulative impact. Since not all funds use the same methodology, harmonisation was necessary to arrive at aggregated figures. The analysis goes back as far as mitigation figures could be found. Hence, the start year for the analysis of the funds differ, this has been indicated per fund. This will have an impact on the cumulative but not annual figures.

#### *Technical assistance*

In two cases where activities reported 100% of the project's mitigation impact while exclusively providing technical assistance, a 10% adjustment factor has been applied. This adjustment aims to fairly account for the investors' contributions as well. Although it is challenging to justify this 10% factor with hard data, it is considered a reasonable and careful estimate given the important role of technical assistance in preparing for and supporting the project. The 10% has been applied to the aggregate figures presented in Section 3, but not in the section per activity as elaborated in Section 4.

## 2.2. Data collection

### 2.2.1. Data collection process

Data for this analysis was collected from annual reports, some of which were subject to non-disclosure agreements and therefore were not directly referenced in this report. The data collection process was supplemented with additional publicly available materials. For this study, the mitigation data was based on the GHG reductions reported by the funds and organizations.

The project team engaged in email exchanges and calls with experts across all activities to gain a deeper understanding of the methodologies and assumptions underlying the figures. Contact points of the funds and organisations for all activities were provided by the Ministry. While the questions varied based on how the figures had been reported, they typically focused on issues such as project lifetime, co-financing, the distinction between annual and cumulative figures (where clarification was needed), and explanations for significant drops or increases in specific years. This communication was crucial for ensuring a thorough understanding of the reported figures, allowing us to conduct accurate analysis for the upcoming years. Ultimately, these exchanges played a key role in addressing important questions and refining the research and analysis

In certain cases, the expert from the activities came back to us with their own project-specific analysis or provided data that was not publicly available, thereby enhancing the accuracy of the calculations. However, due to constraints in both timeline and budget, the team was unable to delve into the mitigation impact at project or sub-project levels. Additionally, there were instances where experts could not respond to specific inquiries, either due to time limitations or other reasons. In these cases,

we made our best efforts to provide reasonable and careful estimates. It is worth noting that some of the discussions raised more questions than they answered. If additional data or findings are provided in the next phase, we will update the results provided here.

Data on financing reflects climate finance and cover mitigation, adaptation and cross-cutting activities. This was based on actual amounts disbursed, provided by the MFA and also collected in annual reports.

### 2.2.2. Data Analysis Techniques

The data analysis was tailored based on whether the organisation provided annual or cumulative (over the lifetime of the project) figures and whether these figures represented a replenishment period (typically 3-4 years) or a single year. For annual figures, we applied the project’s expected lifetime to estimate the total GHG emission reductions over the project’s lifespan. As previously mentioned, the Dutch share of the mitigation impact was calculated based on the proportion of total financing, accounting for any co-financing arrangements. The data analysis was conducted in Excel.

Figure 2-1 below presents an example of one of the nine analyses, specifically for the GCF. The yellow-highlighted figures represent forecasted projects, while the red and purple figures correspond to new additions in two different replenishment cycles. As illustrated, the impact of the Dutch contribution is assumed to remain steady at 0,16 million tCO<sub>2</sub>e per year. Since the lifetime of projects under this activity is 20 years, the mitigation impact of the project initiated in 2017 ceases in 2037, indicating the end of its emissions reduction contributions. Please note that, due to rounding, the annual and cumulative figures may not match exactly.

Figure 2-1 Methodology to calculate annual and cumulative emissions for the year 2030 and 2040

Activity	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2037	2038	2039	2040
2016	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04				
2017		0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04				
2018			0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04			
2019				0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04		
2020					0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12
2021						0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12
2022							0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12
2023								0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12	0,12
2024									0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16
2025										0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16
2026											0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16
2027												0,16	0,16	0,16	0,16	0,16	0,16	0,16	0,16
2028													0,16	0,16	0,16	0,16	0,16	0,16	0,16
2029														0,16	0,16	0,16	0,16	0,16	0,16
2030															0,16	0,16	0,16	0,16	0,16
2031																0,16	0,16	0,16	0,16
2032																	0,16	0,16	0,16
2033																		0,16	0,16
2034																			0,16
2035																			0,16
2036																			0,16
2037																0,16	0,16	0,16	0,16
2038																	0,16	0,16	0,16
2039																		0,16	0,16
2040																			0,16
Annual	0,04	0,08	0,11	0,15	0,27	0,39	0,51	0,63	0,79	0,95	1,11	1,27	1,43	1,59	1,75	2,79	2,76	2,72	2,60
Cumulative	0,04	0,11	0,23	0,38	0,65	1,05	1,56	2,18	2,97	3,92	5,03	6,30	7,73	9,32	11,07	27,68	30,44	33,16	35,76

#### Units

The units used in this report were the following:

- Emissions were measured in million tons of CO<sub>2</sub> equivalents: million tCO<sub>2</sub>e
- Financing was mostly reported in million euros: million €
- The conversion rate between USD and EUR was given by OECD’s exchange rate for 2023<sup>11</sup>.

<sup>11</sup> Exchange rates | OECD (<https://www.oecd.org/en/data/indicators/exchange-rates.html?oecdcontrol-00b22b2429-var3=2023>)

### 2.2.3. Extrapolation of total attributed mitigation

#### *Back casting.*

Climate finance data has been tracked back until 2010, as outlined in the context. However, the activities covered in this report have only been tracked back to 2015. This limitation is due to either the fact that these activities were established in 2015 or that climate finance data was not available before then. To estimate the total mitigation impact starting from 2010, the share of climate finance in 2010, 2011, 2012, 2013 and 2014 relative to 2015 was calculated and applied to the mitigation impact from the activities in 2015. This approach allowed us to estimate the earlier mitigation impacts based on the proportion of climate finance allocated to these activities.

#### *Forecasting*

The activities analysed in this report cover only 13% of total public climate finance and 14% of mitigation finance in 2023<sup>12</sup>. To provide a rough estimate of the overall GHG reduction attributable to overall Dutch climate finance. Based on the mitigation results for the nine activities and the related share of mitigation finance of total Dutch climate finance, total mitigation impact was extrapolated for 2023, 2030 and 2040, as further detailed in Section 5.

#### *Results*

The findings from both the back casting and forecasting analyses were combined to determine the total mitigation impact figures for 2010-2040, covering annual and cumulative impacts from total Dutch climate finance.

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<sup>12</sup> Reported by the MFA

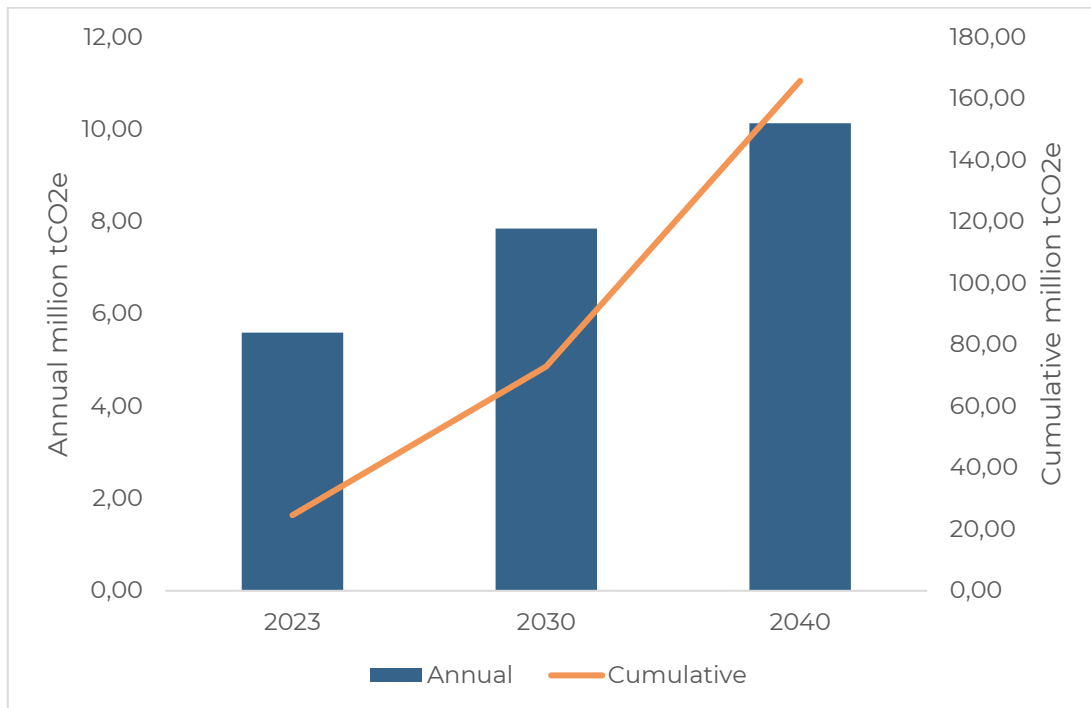
### 3. Results

The results for the nine funds are presented in Table 3-1 and Figure 3-1 for the years 2023, 2030 and 2040. Total mitigation impact that can be attributed to Dutch's share of financing for the nine funds was 5,6 million tons of CO<sub>2</sub>e annually and almost 25 million tCO<sub>2</sub>e in cumulative in 2023. These figures increase to almost 8 tCO<sub>2</sub>e and 73 million tCO<sub>2</sub>e in 2030 and 10 and almost 166 million tCO<sub>2</sub>e in 2040. Activities involving only technical assistance have been allocated a 10% inclusion factor. Four of the activities received funding in 2015, and three of these resulted in mitigation impact in 2015, with an annual mitigation in 2015 of 0,9 million tCO<sub>2</sub>e. Hence, 2015 has been used as the earliest year in the analysis of the nine activities. Keep in mind that what is presented is the mitigation impact, a minus sign has not been applied before the numbers.

Table 3-1 Annual and cumulative results for the nine activities

Unit/Year	2015	2023	2030	2040
Annual million tCO <sub>2</sub> e	0,93	5,60	7,85	10,13
Cumulative million tCO <sub>2</sub> e	0,93	24,56	72,93	165,72

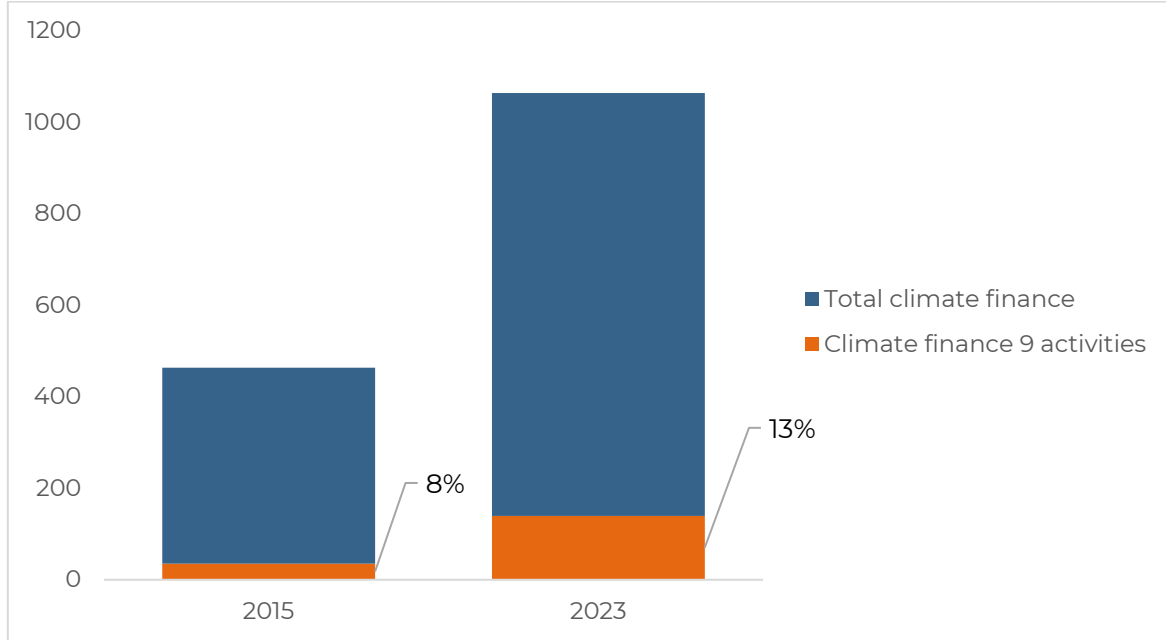
Figure 3-1 Annual and cumulative results for the nine the activities





The activities were initiated in different years, and the climate finance provided by the Dutch government can also be traced to various years. Figure 3-2 shows the share of total Dutch climate finance that was provided for the nine funds in 2015 and 2023, eight and thirteen percent respectively. In 2015 only four of the activities received funding. These nine activities represented around 14% of total mitigation finance in 2023.

Figure 3-2 Total climate and allocated climate finance to the 9 activities in 2015 and 2023



## 4. Analysis and findings per activity

In this section, the results for each activity are presented along with the corresponding methodology. Each activity is accompanied by a box containing relevant information and details about the methodology used. When the methodology is considered more complex, additional explanation is provided. The full reported mitigation impact of the TA activities is reported here, i.e. the 10% attribution factor is not applied, unlike Section 3. The charts for each fund differ in style depending on how their data is reported (annual or cumulative). Keep in mind that what is presented is the mitigation impact, we have not put a minus sign before the numbers.

The climate finance figures reported in the tables are based on Dutch pledges and contributions, which may differ from the actual amounts disbursed each year. Additionally, these figures represent total climate finance, not just mitigation finance. Where earlier figures were unavailable, the earliest possible data has been used for those years. This information will be updated in Phase II. Please note that in the tables, due to rounding, the annual and cumulative figures may not match exactly.

## 4.1. Global Environment Facility (GEF)

Table 4-1 GEF Description and Methodology

Global Environment Facility (GEF)	
Description	Methodology and assumptions
<ul style="list-style-type: none"> <li>The Global Environment Facility (GEF) is a multilateral organisation focused on supporting developing economies in meeting international environmental goals.</li> <li>GEF funds initiatives focused on biodiversity, climate change, pollution, land restoration, and ocean health.</li> <li>Funding is provided by donor countries and is available to governments, civil society, the private sector, and research institutions.</li> <li>Established at the 1992 Rio Earth Summit,</li> <li>GEF sets mitigation targets per replenishment period and tracks mitigation impact on a project-to-project basis.</li> <li>Four-year replenishment cycles.</li> <li>Replenishment cycle 8: 2022-2026</li> </ul>	<ul style="list-style-type: none"> <li><b>Data Source:</b> GEF provided mitigation data from 2014-2030 for CEO-approved projects to date.</li> <li><b>Mitigation data:</b> annual</li> <li><b>Lag Assumption:</b> Two-year lag between project approval and operation.</li> <li><b>Mitigation Attribution:</b> Based on total financing Dutch share of GEF's share was 2,08% (before 2022) and 3,1% (after 2022).</li> </ul> <p><b>Future Projections:</b></p> <ul style="list-style-type: none"> <li>Data until 2030 showed declining reductions from 2027. The 2029-2030 decline was expected to continue until 2040 for projects approved 2014-2024.</li> <li>Additional reductions every 10 years (2014-2023), following mitigation data 2018-2030</li> <li><b>Project Lifetime:</b> Various.</li> <li><b>Initial year of analysis:</b> 2015</li> </ul>

### Projections explained

Mitigation data was given by the fund up until 2030 for approved projects to date. This data showed an increase in mitigation impact peaking in 2026. The decline between 2029 and 2030 was applied up until 2040 for projects approved between 2015-2030.

For approved projects post 2024, it was assumed that the next projects would be approved in 2025 and then implemented in 2027. The mitigation data was applied as the same figures 2018-2030. That means that the mitigation figure in 2018 was applied to 2027, for 2019 in 2028 and so on, added to the existing annual mitigation provided by GEF and estimated based on the decline post 2030.

Based on a 10 year cycle the same procedure was applied in 2037 (data was given from 2014).

The 'cycles' of added projects can be seen in Figure 4-1.

### Results

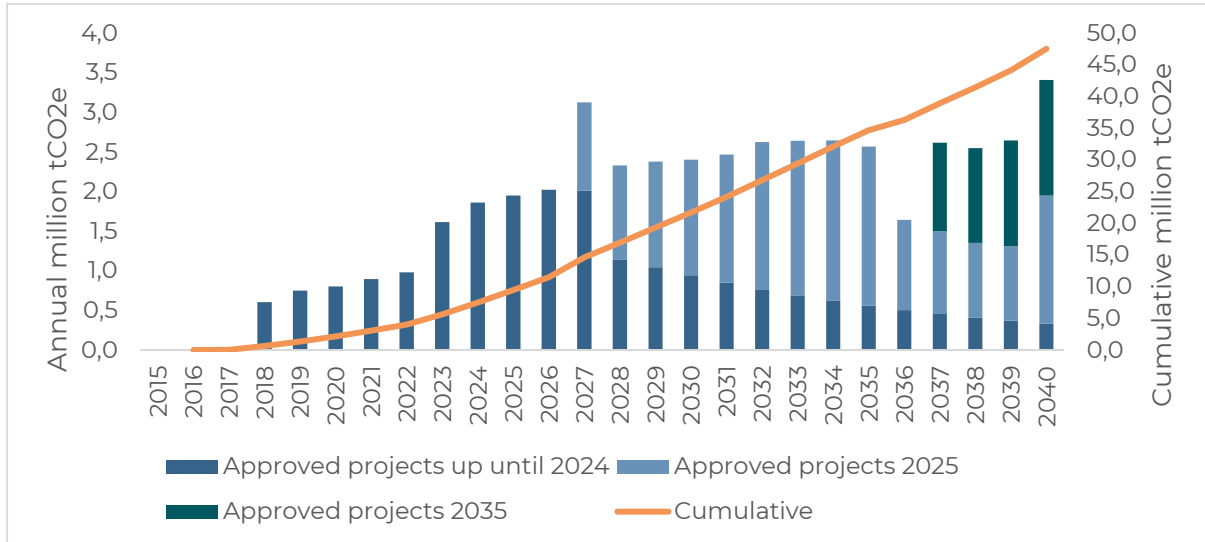
The mitigation attributed to Dutch climate finance in 2030 is projected to result in an annual reduction of 2,4 million tCO<sub>2</sub>e and a cumulative reduction of 21,7 million tCO<sub>2</sub>e from 2014 to 2030. For 2040, the figures are 3,4 million tCO<sub>2</sub>e in annual reductions and 47,6 million tCO<sub>2</sub>e in cumulative reductions. The results per year are shown in Table 4-2 below.

Table 4-2 Results: attributed mitigation (GEF)

Dutch share (GEF)	Unit	2016	2017	2018	2019	2020	2021	2022	2023	2030	2040
Climate finance (annual)	EUR million	21	21	38	21	21	17	31	31	31	31
Total climate finance (cumulative)	EUR million	21	41	79	100	121	138	169	200	417	727

Dutch share (GEF)	Unit	2016	2017	2018	2019	2020	2021	2022	2023	2030	2040
GHG reduction (annual)	Million tCO <sub>2</sub> e	0,00	0,01	0,60	0,75	0,80	0,89	0,98	1,62	2,40	3,45
Total GHG reduction(cumulative)	Million tCO <sub>2</sub> e	0,00	0,01	0,61	1,36	2,16	3,06	4,04	5,65	21,73	47,58

Figure 4-1 Mitigation impact (GEF)



## 4.2. Green Climate Fund (GCF)

Table 4-3 GCF Description and Methodology

Green Climate Fund (GCF)	
Description	Methodology and assumptions
<ul style="list-style-type: none"> <li>The Green Climate Fund (GCF) is a major multilateral climate fund supporting the implementation of the Paris Agreement</li> <li>GCF assists developing economies in meeting their Nationally Determined Contributions (NDCs)</li> <li>Established at COP16 in 2010</li> <li>The fund supports both adaptation and mitigation projects</li> <li>GCF sets mitigation targets per replenishment period and tracks mitigation impact on a project-to-project basis</li> <li>Four-year replenishment cycles.</li> <li>Replenishment cycle 2: 2024-2027</li> </ul>	<ul style="list-style-type: none"> <li><b>Data Source:</b> GCF provided mitigation financing and mitigation data 2015-2023. Data from scorecard for 2024-2027 (target used). Co-financing from scorecards. NL contribution given by NL and in scorecards</li> <li><b>Mitigation data:</b> cumulative.</li> <li><b>Lag Assumption:</b> not applied</li> <li><b>Mitigation Attribution:</b> Mitigation data was given as cumulative for the four-year cycles. Calculated for annual. NL share before. 1,35% two first cycles and 1,09% for replenishment cycle 2 and future.</li> <li><b>Projections:</b> The 2024 annual additional mitigation was added each year.</li> <li><b>Project Lifetime:</b> 20 years</li> <li><b>Initial year of analysis:</b> 2015</li> </ul>

### Projections explained

The mitigation data was given up until 2023 and taken from the scorecard for the replenishment cycle 2. Base on the four years of each replenishment cycle, assuming a 20 year lifetime of the projects the annual emission reduction were estimated. By 2040 the emission reductions in 2020 will no longer be active. Based on new financing commitments and formulated mitigation target for replenishment cycle 2, 2024 serves therefore as the reference year for future projections (rather than 2023).

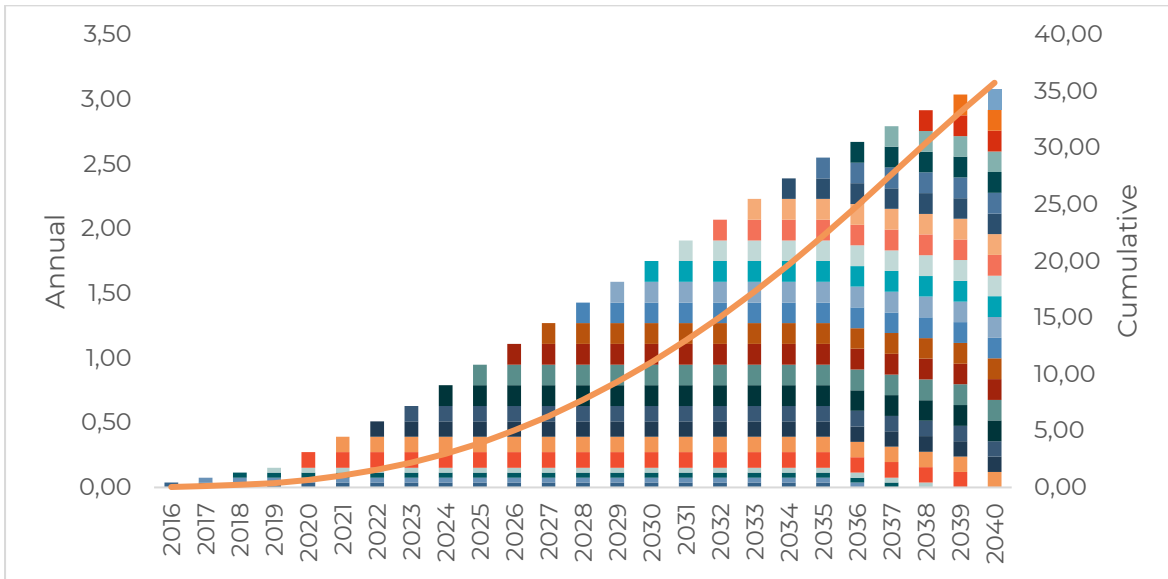
### Results

The mitigation attributed to Dutch climate finance in 2030 is projected to result in an annual reduction of 1,8 million tCO<sub>2</sub>e and a cumulative reduction of 11,0 million tCO<sub>2</sub>e from 2016 to 2030. For 2040, the figures are 2,6 million tCO<sub>2</sub>e in annual reductions and 35,8 million tCO<sub>2</sub>e in cumulative reductions. The results per year are shown in Table 4-4.

Table 4-4 Results: attributed mitigation (GCF)

Dutch share (GCF)	Unit	2017	2018	2019	2020	2021	2022	2023	2024	2030	2040
Climate finance (annual)	EUR million	16	12	32	52	30	30	30	38	38	38
Total climate finance (cumulative)	EUR million	34	46	78	130	160	190	220	258	485	863
GHG reduction (annual)	Million tCO <sub>2</sub> e	0,08	0,11	0,15	0,27	0,39	0,51	0,63	0,79	1,75	2,6
Total GHG reduction(cumulative)	Million tCO <sub>2</sub> e	0,11	0,23	0,38	0,65	1,05	1,56	2,18	2,97	11,07	35,75

Figure 4-2 Results: attributed mitigation (GCF)



Notes: Columns represent the annual mitigation and the line the cumulative. Each colour in each column represents the mitigation impact introduced for a given year. As shown, new projects are introduced annually. By tracking an early investment, it is possible to observe that it is discontinued a few years later, depending on the project lifetime.

### 4.3. Energising Development (EnDev)

Table 4-5 EnDev Description and Methodology

Energising Development (EnDev)	
Description	Methodology and assumptions
<ul style="list-style-type: none"> <li>• Energising Development (EnDev) is an international initiative aimed at improving access to affordable, reliable, and sustainable energy.</li> <li>• The program utilises a market-based approach that focuses on long-term, self-sustaining market development.</li> <li>• EnDev operates through a collaborative partnership between Germany, the Netherlands, Norway, and Switzerland.</li> <li>• The initiative is active in over 20 countries, working to drive economic and environmental progress through enhanced energy access.</li> <li>• The Netherlands has provided funding since 2009</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Data Source:</b> EnDev reports and CO2 methodology.</li> <li>• <b>Mitigation data:</b> Annual</li> <li>• <b>Lag Assumption:</b> NA</li> <li>• <b>Mitigation Attribution:</b> Dutch share 36%</li> <li>• <b>Future Projections:</b> 2023 assumed to remain constant through 2030 and 2040.</li> <li>• <b>Project Lifetime:</b> The methodology uses an approach where the lifetime of the project is integrated in the emission reductions.</li> <li>• <b>Initial year of analysis:</b> 2015</li> </ul>

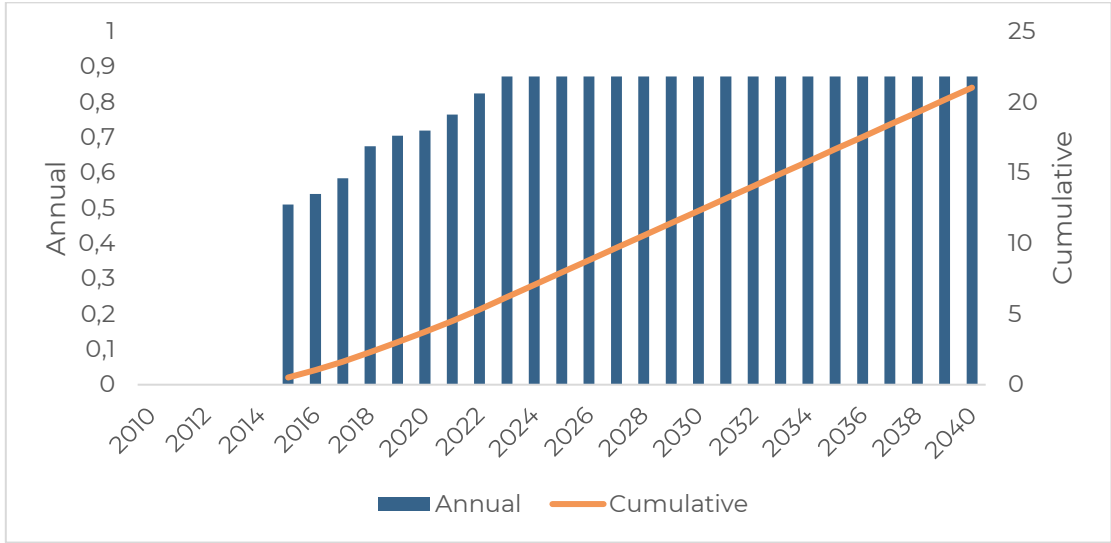
#### Results

The mitigation attributed to Dutch climate finance in 2030 is projected to result in an annual reduction of 1,1 million tCO<sub>2</sub>e and a cumulative reduction of 14,8 million tCO<sub>2</sub>e from 2015 to 2030. For 2040, the figures are 1,1 million tCO<sub>2</sub>e in annual reductions and 25,3 million tCO<sub>2</sub>e in cumulative reductions. The results per year are shown in Table 4-6 below.

Table 4-6 Results: attributed mitigation (EnDev)

Dutch share (EnDev)	Unit	2016	2017	2018	2019	2020	2021	2022	2023	2030	2040
<b>Climate finance (annual)</b>	EUR million	7	16	5	1	8	11	13	31	31	31
<b>Total climate finance (cumulative)</b>	EUR million	9	25	30	31	38	50	63	94	309	618
<b>GHG reduction (annual)</b>	Million tCO <sub>2</sub> e	0,65	0,70	0,81	0,85	0,86	0,92	0,99	1,05	1,05	1,05
<b>Total GHG reduction (cumulative)</b>	Million tCO <sub>2</sub> e	1,26	1,96	2,77	3,62	4,48	5,40	6,39	7,44	14,77	25,25

Figure 4-3 Mitigation impact (EnDev)



## 4.4. Result-Based Financing facility for energy access (SDG 7 Results)

Table 4-7 SDG-7 Results Description and Methodology

Result-Based Financing facility for energy access (SDG 7 Results)	
Description	Methodology and assumptions
<ul style="list-style-type: none"> <li>SDG 7 Results focuses on SDG 7 with a Results-Based Finance approach.</li> <li>Subsidies are awarded based on achieving specific outcomes.</li> <li>Partnership: Dutch Ministry of Foreign Affairs</li> <li>Two tender 2020-2026</li> </ul>	<ul style="list-style-type: none"> <li><b>Data Source:</b> Data provided by activity up until 2026.</li> <li><b>Mitigation data:</b> Annual</li> <li><b>Lag Assumption:</b> ex post</li> <li><b>Mitigation Attribution:</b> Dutch share 100%, Tender 1 attribution factor 35%, Tender 2 attribution factor 100%</li> <li><b>Future Projections:</b> Program stops in 2026, annual emission reductions until 2028.</li> <li><b>2031-2040 Assumptions:</b></li> <li><b>Project Lifetime:</b> 2 years</li> <li><b>Initial year of analysis:</b> 2020</li> </ul>

### Results

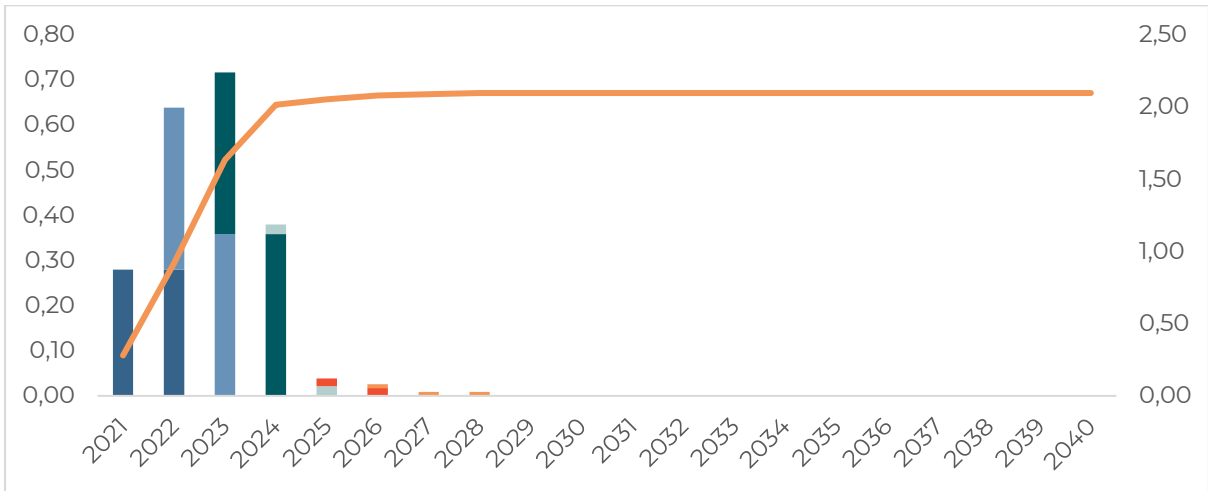
The program stops in 2026, the projects initiated in 2026 will run until 2028, hence by 2030 and 2040 there are no annual emission reductions from this program. The cumulative results for 2030 are estimated to 2,1 million tCO<sub>2</sub>e and the same for 2040. As no new projects are added. The results per year are shown in Table 4-8 below.

Table 4-8 Results: attributed mitigation (SDG-7)

Dutch share	Unit	2021	2022	2023	2024	2025	2026	2030	2040
Climate finance (annual)	EUR million	1	0	2	2	2	2	-	-
Total climate finance (cumulative)	EUR million	1	1	3	6	8	10	10	10
GHG reduction (annual)	Million tCO <sub>2</sub> e	0,28	0,64	0,72	0,38	0,04	0,03	0,00	0,00
Total GHG reduction(cumulative)	Million tCO <sub>2</sub> e	0,28	0,92	1,63	2,01	2,05	2,09	2,10	2,10



Figure 4-4 Mitigation impact (SDG-7)



Notes: Columns represent the annual mitigation and the line the cumulative (so we need to work on this and put for each figure below). Each colour in each column represents the mitigation impact introduced for a given year. As shown, new projects are introduced annually. By tracking an early investment, it is possible to observe that it is discontinued a few years later, depending on the project lifetime.

## 4.5. Energy Sector Management Assistance Program (ESMAP)

Table 4-9 ESMAP Description and Methodology

Energy Sector Management Assistance Program (ESMAP)	
Description	Methodology and assumptions
<ul style="list-style-type: none"> <li>ESMAP is the technical assistance program under the World Bank, focused on energy in developing economies.</li> <li>Established in 1983, ESMAP aims to create sustainable energy solutions by developing government policies and regulatory frameworks.</li> <li>ESMAP addresses a broad range of energy issues, aligned with Sustainable Development Goal 7 (SDG 7).</li> <li>Founded in 1983.</li> </ul>	<ul style="list-style-type: none"> <li><b>Data Source:</b> ESMAP annual reports and ESMAP dashboard.</li> <li><b>Mitigation data:</b> Cumulative</li> <li><b>Lag Assumption:</b> not applied</li> <li><b>Mitigation Attribution:</b> ESMAP/WB funding versus Co-financing 64%, NL share assumed 14% (varies somewhat between the years)</li> <li><b>Future Projections:</b> Based on the cumulative impact achieved 2021-2024, the average was assumed to continue from 2025</li> <li><b>Project Lifetime:</b> 20 years</li> <li><b>Initial year of analysis:</b> 2015</li> </ul>

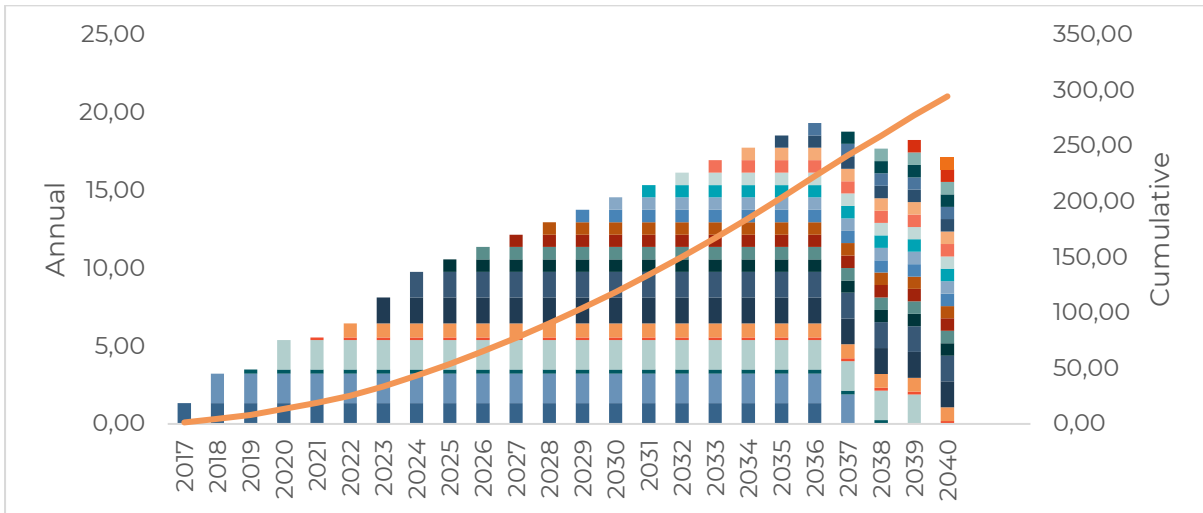
### Results

ESMAP is a technical assistance activity and accounts for all mitigation impact from activities that has been funded and resulted in a mitigation activity. Here the figures are based on the emission reductions reported and the factor 10% has not been applied (unlike Section 3). The mitigation attributed to Dutch climate finance in 2030 is projected to result in an annual reduction of 14,6 million tCO<sub>2</sub>e and a cumulative reduction of 121,4 million tCO<sub>2</sub>e from 2015 to 2030. For 2040, the figures are 17,1 million tCO<sub>2</sub>e in annual reductions and 297,2 million tCO<sub>2</sub>e in cumulative reductions. The results per year are shown in Table 4-10 below.

Table 4-10 Results: attributed mitigation (ESMAP)

Dutch share (ESMAP)	Unit	2017	2018	2019	2020	2021	2022	2023	2030	2040
Climate finance (annual)	EUR million	7	7	7	10	8	10	19	19	19
Total climate finance (cumulative)	EUR million	25	33	40	49	57	67	86	219	409
GHG reduction (annual)	Million tCO <sub>2</sub> e	1,35	3,24	3,49	5,38	5,56	6,46	8,11	14,55	17,13
Total GHG reduction(cumulative)	Million tCO <sub>2</sub> e	4,04	7,27	10,76	16,15	21,71	28,16	36,27	121,38	297,23

Figure 4-5 Mitigation impact (ESMAP)



Note: Columns represent the annual mitigation and the line the cumulative. Each colour in each column represents the mitigation impact introduced for a given year. As shown, new projects are introduced annually. By tracking an early investment, it is possible to observe that it is discontinued a few years later, depending on the project lifetime.

## 4.6. IFC Climate Advisory Partnership (IFC – CAP)

Table 4-11 IFC-CAP Description and Methodology

IFC Climate Advisory Partnership (IFC-CAP)	
Description	Methodology and assumptions
<ul style="list-style-type: none"> <li>The Climate Advisory Partnership (CAP), launched on November 26, 2018, is a collaboration between the Government of the Netherlands and the International Finance Corporation (IFC)</li> <li>CAP focuses on technical assistance to drive private sector involvement in climate-smart initiatives across energy, cities, agriculture, and water.</li> <li>The partnership supports market transformation towards low-carbon economic activities.</li> <li>The Netherlands contribute with EUR 20 million 2019-2023</li> </ul>	<ul style="list-style-type: none"> <li><b>Data Source:</b> Reports provided data on mitigation.</li> <li><b>Mitigation data:</b> Cumulative 2018-2023</li> <li><b>Dutch Share Calculation:</b> The Dutch share of mitigation was calculated based on the share of CAP allocation in total project allocation.</li> <li><b>Lifetime Assumption:</b> Estimated at 20 years.</li> <li><b>Lag Assumption:</b> Not applied</li> <li><b>Mitigation Attribution:</b></li> <li><b>Future Projections:</b> Future reductions estimated using the average figures from 2019 to 2023. Assumed that the activity will continue.</li> <li><b>Project Lifetime:</b> 20 years</li> <li><b>Initial year of analysis:</b> 2018</li> </ul>

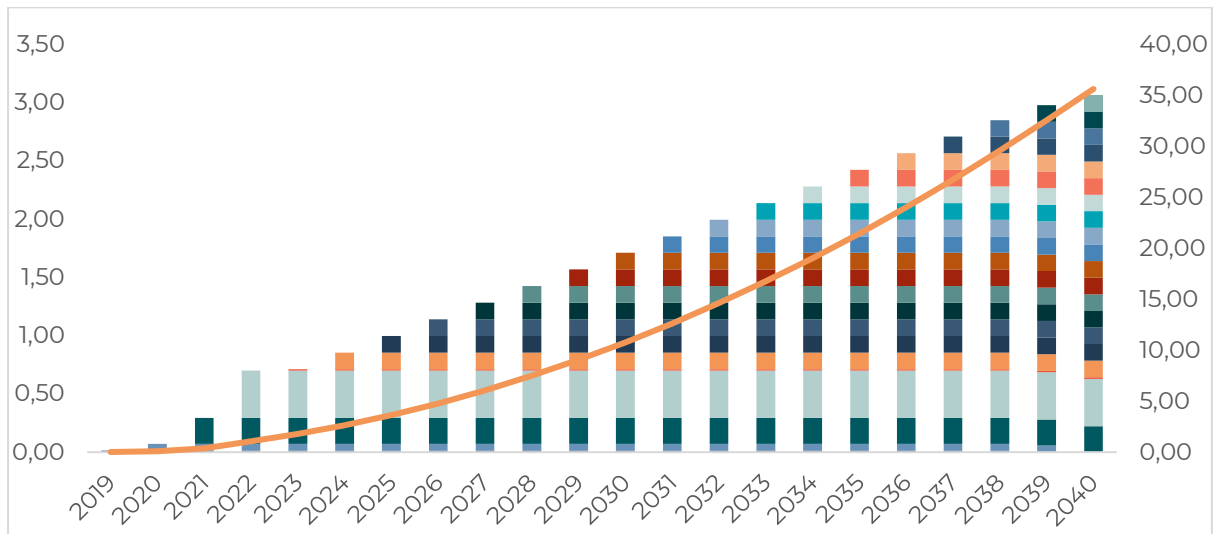
### Results

IFC-CAP is a technical assistance activity, here the figures are based on the emission reductions reported and the factor 10% has not been applied (unlike Section 3). The mitigation attributed to Dutch climate finance in 2030 is projected to result in an annual reduction of 1,7 million tCO<sub>2</sub>e and a cumulative reduction of 10,8 million tCO<sub>2</sub>e from 2018 to 2030. For 2040, the figures are 3,1 million tCO<sub>2</sub>e in annual reductions and 35,6 million tCO<sub>2</sub>e in cumulative reductions. The results per year are shown in Table 4-12 below.

Table 4-12 Results: attributed mitigation (IFC-CAP)

Dutch share (IFC-CAP)	Unit	2018	2019	2020	2021	2022	2023	2030	2040
<b>Mitigation finance (annual)</b>	EUR million	3,5	5,2	0,0	5,0	4,2	0,0	4,2	4,2
<b>Total mitigation finance (cumulative)</b>	EUR million	3,5	8,7	8,7	13,7	17,9	17,9	47,2	89,1
<b>GHG reduction (annual)</b>	Million tCO <sub>2</sub> e	0,0	0,01	0,07	0,29	0,70	0,71	1,71	3,06
<b>Total GHG reduction (cumulative)</b>	Million tCO <sub>2</sub> e	0,0	0,01	0,08	0,38	1,08	1,79	10,77	35,62

Figure 4-6 Mitigation impact (IFC\_CAP)



Note: Columns represent the annual mitigation and the line the cumulative. Each colour in each column represents the mitigation impact introduced for a given year. As shown, new projects are introduced annually. By tracking an early investment, it is possible to observe that it is discontinued a few years later, depending on the project lifetime.

## 4.7. Amazon Bioeconomy and Forest Management Multi-Donor Trust Fund of the InterAmerican Development Bank (IDB-MDTF)

Table 4-13 IDB-MDTF Description and Methodology

Amazon Bioeconomy and Forest Management Multi-Donor Trust Fund of the InterAmerican Development Bank (IDB-MDTF)	
Description	Methodology and assumptions
<ul style="list-style-type: none"> <li>The Amazon Bioeconomy and Forests Management Multi-Donor Trust Fund (AMDTF), established in 2021, is part of the IDB's Amazon Initiative.</li> <li>The fund supports Amazonian countries in reducing forest pressure through improved environmental governance and sustainable economic alternatives.</li> <li>The Netherlands has committed EUR 15 million 2022-2026</li> </ul>	<ul style="list-style-type: none"> <li><b>Data Source:</b> provided in the annual report and updated numbers for 2023 (actual results), 2024 and 2025 were given by the organisation</li> <li><b>Mitigation data:</b> Annual 2023-2025</li> <li><b>Lag Assumption:</b> Not applied</li> <li><b>Mitigation Attribution:</b> The organisation reported NL share overall 31%</li> <li><b>Future Projections:</b> The program runs between 2022-2026 and will continue based on funding. Here it was assumed that the project will continue. It was assumed that the same amount of hectares in 2025 would be restored annually up until 2040*.</li> <li><b>Project Lifetime:</b> given as three years, considering uncertainties related to the crops, type of rotation and other factors</li> <li><b>Initial year of analysis:</b> 2022</li> </ul>

Note: Projections were based on the expected 2025 figure as the program started in 2023 and the figures for 2023 and 2024 do not reflect the potential of the program when it is fully running.

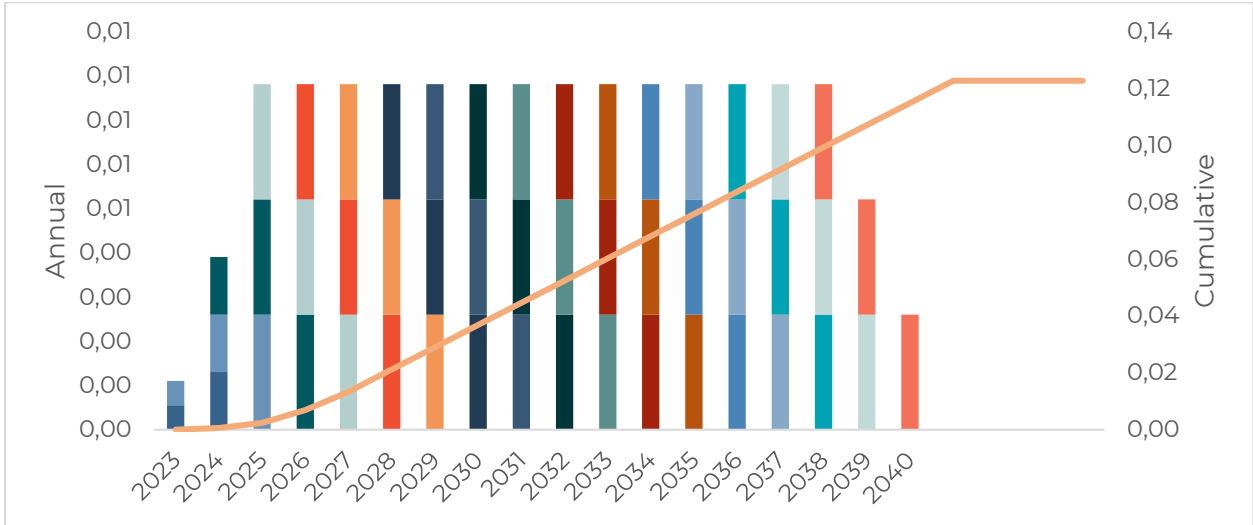
### Results

The mitigation attributed to Dutch climate finance in 2030 is projected to result in an annual reduction of 0.01 million tCO<sub>2</sub>e and a cumulative reduction of 0,04 million tCO<sub>2</sub>e from 2022 to 2030. For 2040, the figures are 0,01 million tCO<sub>2</sub>e in annual reductions and 0,12 million tCO<sub>2</sub>e in cumulative reductions. The results per year are shown in Table 4-14 below.

Table 4-14 Results: attributed mitigation (IDB-MDTF)

Dutch share (IDB-MDTF)	Unit	2022	2023	2024	2025	2026	2030	2040
Climate finance (annual)	EUR million	3	3	3	3	3	3	3
Total climate finance (cumulative)	EUR million	3	6	9	12	15	27	57
GHG reduction (annual)	Million tCO <sub>2</sub> e	0,00	0,00	0,00	0,00	0,01	0,01	0,01
Total GHG reduction (cumulative)	Million tCO <sub>2</sub> e	0,00	0,00	0,00	0,00	0,01	0,04	0,12

Figure 4-7 Mitigation impact (IDB-MDTF)



Note: Columns represent the annual mitigation and the line the cumulative. Each colour in each column represents the mitigation impact introduced for a given year. As shown, new projects are introduced annually. By tracking an early investment, it is possible to observe that it is discontinued a few years later, depending on the project lifetime.

## 4.8. International Fund for Agricultural Development (IFAD)

Table 4-15 IFAD Description and Methodology

International Fund for Agricultural Development (IFAD)	
Description	Methodology and assumptions
<ul style="list-style-type: none"> <li>The International Fund for Agricultural Development (IFAD) focuses on enhancing food security, nutrition, and incomes for rural communities. AFOLU</li> <li>IFAD is developing a Paris Alignment Roadmap to ensure its investments in agriculture align with global climate goals.</li> <li>Replenishment cycle 3 years.</li> </ul>	<ul style="list-style-type: none"> <li><b>Data Source:</b> Mitigation data RIAD report and from the activity.</li> <li><b>Mitigation data:</b> Target for replenishment cycle. Cumulative.</li> <li><b>Lag Assumption:</b></li> <li><b>Mitigation Attribution:</b> Using the 49% from the GHG methodology to calculate attribution as the emission data reported is for the full projects (including additional funders). Dutch share 7%.</li> <li><b>Future Projections:</b> Same annual projection as that in IFAD12 (2022-2024).</li> <li><b>Project Lifetime:</b> 20 years</li> <li><b>Initial year for analysis:</b> 2015</li> </ul>

### Results

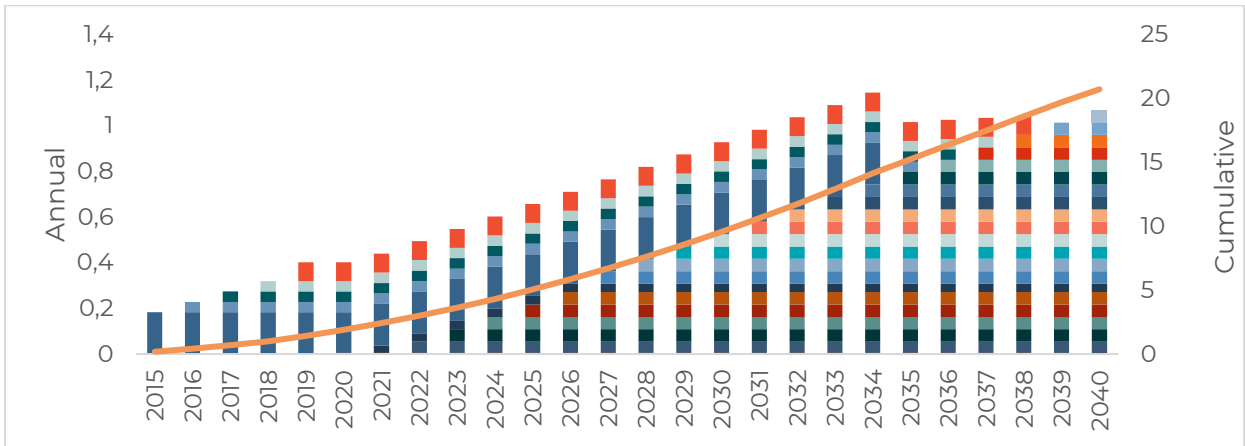
The mitigation attributed to Dutch climate finance in 2030 is projected to result in an annual reduction of 1,0 million tCO<sub>2</sub>e and a cumulative reduction of 9,6 million tCO<sub>2</sub>e from 2015 to 2030. For 2040, the figures are 1,1 million tCO<sub>2</sub>e in annual reductions and 21,0 million tCO<sub>2</sub>e in cumulative reductions. The results per year are shown in Table 4-16 below.

Table 4-16 Results: attributed mitigation (IFAD)

Dutch share (IFAD)	Unit	2016	2017	2018	2019	2020	2021	2022	2023	2030	2040
<b>Climate finance (annual)</b>	EUR million	23	23	22	21	22	23	23	23	23	23
<b>Total climate finance (cumulative)</b>	EUR million	42	64	86	107	130	153	175	157	355	580
<b>GHG reduction (annual)</b>	Million tCO <sub>2</sub> e	0,23	0,27	0,32	0,40	0,49	0,52	0,58	0,63	1,01	1,01
<b>Total GHG reduction (cumulative)</b>	Million tCO <sub>2</sub> e	0,41	0,69	1,01	1,41	1,90	2,42	3,00	3,63	9,57	20,73



Figure 4-8 Mitigation impact (IFAD)



Note: Columns represent the annual mitigation and the line the cumulative. Each colour in each column represents the mitigation impact introduced for a given year. As shown, new projects are introduced annually. By tracking an early investment, it is possible to observe that it is discontinued a few years later, depending on the project lifetime.

## 4.9. Water and Energy for Food Grand Challenge (WE4F)

Table 4-17 WE4F Description and Methodology

Water and Energy for Food Grand Challenge (WE4F)	
Description	Methodology and assumptions
<ul style="list-style-type: none"> <li>The Water and Energy for Food (WE4F) initiative is supported by international agencies, including the German BMZ, EU, Dutch Ministry of Foreign Affairs, Norad, Sida, and USAID.</li> <li>WE4F promotes innovations in the water-energy-food nexus through financial support and technical assistance.</li> <li>The initiative aims to improve access to resources for smallholder farmers, enhance climate resilience, and reduce CO<sub>2</sub> emissions.</li> <li>Active 2021-2025</li> </ul>	<ul style="list-style-type: none"> <li><b>Data Source:</b> Mitigation data provided in report for reported 2021-2023</li> <li><b>Mitigation data:</b> post ante, innovators report data through the USAID Cleer</li> <li><b>Lag Assumption:</b> Ex post</li> <li><b>Mitigation Attribution:</b> Dutch share 17%.</li> <li><b>Future Projections:</b> assumed that the same annual mitigation would continue up until 2026, applying a two year lifetime.</li> <li><b>Project Lifetime:</b> Estimated at two years.</li> <li><b>Initial year for analysis:</b> 2020</li> </ul>

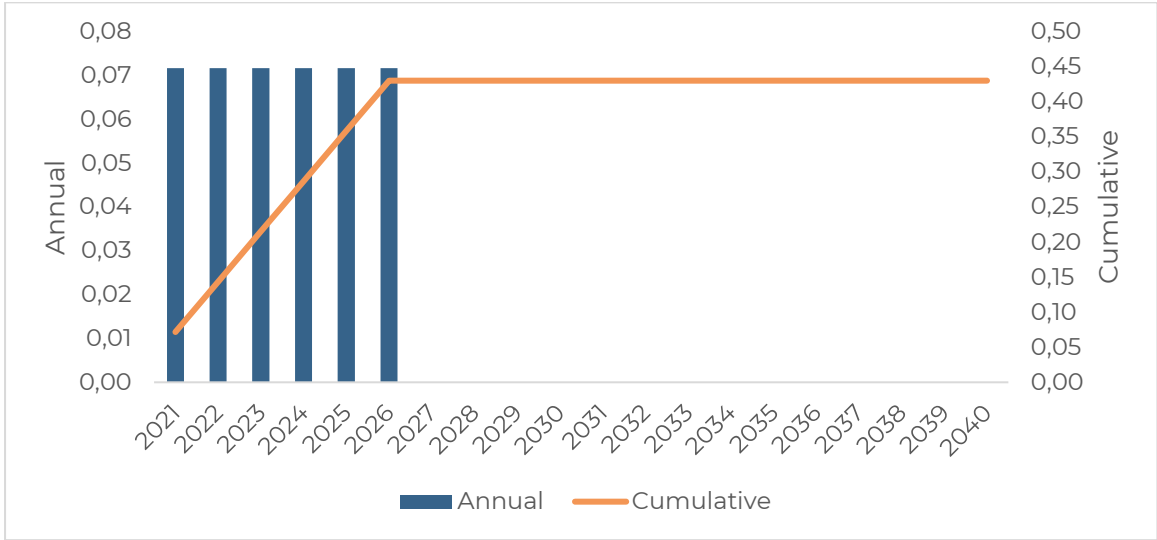
### Results

The program will end in 2025 so there are no annual emission reduction in 2030 and 2040. The cumulative reduction attributed to Dutch climate finance is 0,43 million tCO<sub>2</sub>e for 2030 and 2040. The results per year are shown in Table 4-18 below.

Table 4-18 Results: attributed mitigation (WE4F)

Dutch share (WE4F)	Unit	2020	2021	2022	2023	2030	2040
<b>Mitigation finance (annual)</b>	EUR million	3	2	2	1	-	-
<b>Total mitigation finance (cumulative)</b>	EUR million	3	5	6	7	7	7
<b>GHG reduction (annual)</b>	Million tCO <sub>2</sub> e	0,07	0,07	0,07	0,07	0,0	0,0
<b>Total GHG reduction (cumulative)</b>	Million tCO <sub>2</sub> e	0,07	0,14	0,22	0,29	0,43	0,43

Figure 4-9 Mitigation impact (WE4F)



## 5. Estimate of total Dutch public climate finance mitigation attribution

The nine activities analysed in this report accounted for 13% of total Dutch public climate finance and 14% of total Dutch public mitigation finance in 2023. This 14% share of mitigation finance was used to estimate both annual and cumulative mitigation figures for 2023, attributed to Dutch climate finance. The mitigation impact of the nine activities in 2023 was 5,6 million tCO<sub>2</sub>e in that year and 24,56 million tCO<sub>2</sub>e in cumulative figures (from 2015). The factor 14% was applied to find the total annual and cumulative (2015-2023).

To estimate historical and future mitigation data, depending on the availability of information and the time period covered in the analysis of the nine activities (2015-2040), either expenditure data alone or a combination of expenditure and mitigation data was used. Further details are provided below and the results can be seen in Table 5-1.

### *Back casting*

In **2015**, four of the nine activities received Dutch funding and three of these resulted in mitigation impact. The four activities accounted for 8% of Dutch public climate finance. It was assumed that this also represented a similar share of the mitigation finance (8%), given the comparable shares of 13% and 14% for 2023. The mitigation impact in 2015 from these three activities resulted in a mitigation impact of 0,93 million tCO<sub>2</sub>e, as shown in Table 3-1. Assuming this accounts for 8%, the annual mitigation impact attributed to the total Dutch public climate finance was estimated to be 11,6 million tCO<sub>2</sub>e, as detailed in Table 5-1.

**2010-2014: Analysis based on financing figures.** Based on the estimated mitigation impact of three activities in 2015 and their share of total climate finance, the annual GHG reduction was calculated by applying the financing share for each year times the estimated mitigation impact in 2015. For example, in 2010, the climate finance was 43% of the amount in 2015 and the mitigation impact was calculated as follows: 2010 share of climate finance in 2015 (43%) times estimated mitigation impact in 2015 (11,62 million tCO<sub>2</sub>e).

The same approach was applied to the years 2011-2014, continuously using 2015 as the basis, see Table 5-1. Please note that the numbers have been rounded, which may affect their precision.

Table 5-1 Back casting mitigation impact from total Dutch climate finance (2010-2015)

	Unit	2010	2011	2012	2013	2014	2015
<b>Public climate finance (annual)</b>	EUR million	182	407	466	460	352	428
<b>Share of 2015 climate finance</b>	%	43	95	109	107	82	100
<b>Total climate finance (cumulative) (2010-</b>	EUR million	182	589	1 055	1 515	1 867	2 295
<b>GHG reduction (annual)</b>	Million tCO <sub>2</sub> e	4,94	11,05	12,65	12,49	9,56	11,62

	Unit	2010	2011	2012	2013	2014	2015
<b>Total GHG reduction (cumulative)</b>	Million tCO <sub>2</sub> e	4,9	15,99	28,64	41,13	50,68	62,30

### Forecasting

To calculate the annual and cumulative figures for **2030 and 2040**, the same approach used for the 2023 estimates as was applied. The study assumed that Dutch public climate finance would remain constant and continue to support the same activities with the same mitigation impact as in 2023. The only adjustment made was accounting for two activities (SDG 7 and WE4F) that in their current form are scheduled to conclude before 2030, though new or extended programming remains a possibility.

Assuming public climate finance remains unchanged in 2030 and 2040, the share allocated to the seven ongoing activities is projected to be 15%. This increase is due to the higher Dutch contribution to the GCF during the 2024-2027 replenishment cycle compared to the previous cycle, despite the discontinuation of two activities.

This 15% factor was applied to both the annual and cumulative figures for 2030 and 2040. However, a detailed year-by-year analysis from 2023 to 2040 was not conducted due to time constraints, introducing a small margin of error in the cumulative figures. The cumulative figure for 2015 was added to those for 2023, 2030, and 2040 to cover the time period from 2010, as the analysis of the nine activities started in 2015.

The results are summarised in Table 5-2. Please note that the numbers have been rounded, which may slightly affect their precision of the results.

Table 5-2 Forecasting mitigation impact from total Dutch public climate finance (2010-2040)

	Unit	2023	2030	2040
<b>Public climate finance (annual)</b>	EUR million	925	925	925
<b>Total climate finance (cumulative) (2010-</b>	EUR million	7 263	13 738	22 988
<b>9 or 7 activities share of total public mitigation finance</b>	%	14	15	15
<b>GHG reduction (annual)</b>	Million tCO <sub>2</sub> e	40,0	52,3	67,6
<b>Total GHG reduction (cumulative)</b>	Million tCO <sub>2</sub> e	237,7	548,5	1 167,1

Combining the results of back casting with fore casting gives the figures presented in Table 5-3.

Table 5-3 Estimated mitigation impact from total Dutch total public climate finance (2010-2040)

	Unit	2010	2015	2023	2030	2040
<b>Public climate finance (annual)</b>	EUR million	182	428	925	925	925

	Unit	2010	2015	2023	2030	2040
<b>Total climate finance (cumulative) (2009-</b>	EUR million	182	2 295	7 263	13 738	22 988
<b>GHG reduction (annual)</b>	Million tCO <sub>2</sub> e	4,94	11,62	40,0	52,31	67,56
<b>Total GHG reduction (cumulative)</b>	Million tCO <sub>2</sub> e	4,96	62,30	237,7	548,5	1 167,1

## 6. Conclusions

Despite many assumptions and uncertainties, the findings show that Dutch climate finance substantially contributes to global mitigation efforts. The research encountered more challenges than initially anticipated due to the diverse reporting methods used by different organisations. While each methodology has its own strengths and drawbacks, we had to standardise them all in a similar approach to be able to aggregate them. This does not always do right to the underlying methodologies per fund.

Nonetheless, this study provides valuable insights as a preliminary attempt to offer a comprehensive overview of the mitigation impact attributable to Dutch climate finance. This type of analysis will probably gain an increasing importance in the coming years as new climate finance targets are established and the urgency to reduce emissions grows. Although this report focuses solely on the mitigation impact of climate finance, it is crucial to recognise its broader positive outcomes, including improvements in small-scale energy access, gender equality, forest restoration, sustainable agriculture, food security, water access, and many more.

A key recommendation from this report is the refinement of the existing methodology. In future iterations, additional aggregate data should be collected to enhance the accuracy and comprehensiveness of the results.

The next phase of this project will involve activities that may not directly report their emission reductions, but this research and its underlying methodology set the foundation for the future efforts.

# Annex

## A. References per fund

Funds	References
Global Environment Facility	Scorecard, replenishment reports, Mitigation data provided by the fund.
GCF	Scorecards, replenishment reports and mitigation data for replenishment cycle 1 from the fund.
EnDev	EnDev progress reports
SDG 7 Results	Annual reports and directly from the organisation
ESMAP	ESMAP annual reports
IFC-CAP	Confidential
IDB-MDTF	Annual report and data shared by the organisation
IFAD	RIDE reports
WE4F	Confidential/internal



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