

Financing the green and net-zero transition in the EU Eastern Partner Countries and Central Asia
Session 7 - Greening domestic and international finance

Climate-related development finance in EaP countries and Central Asia

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What is climate-related development finance?



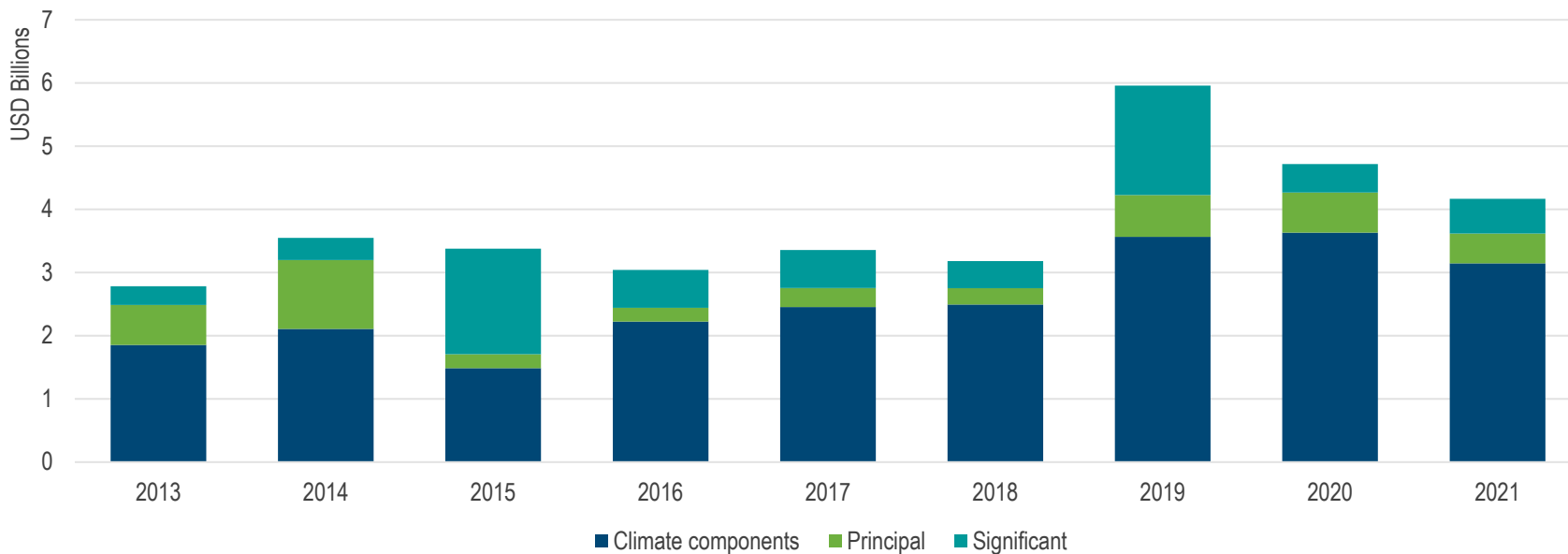
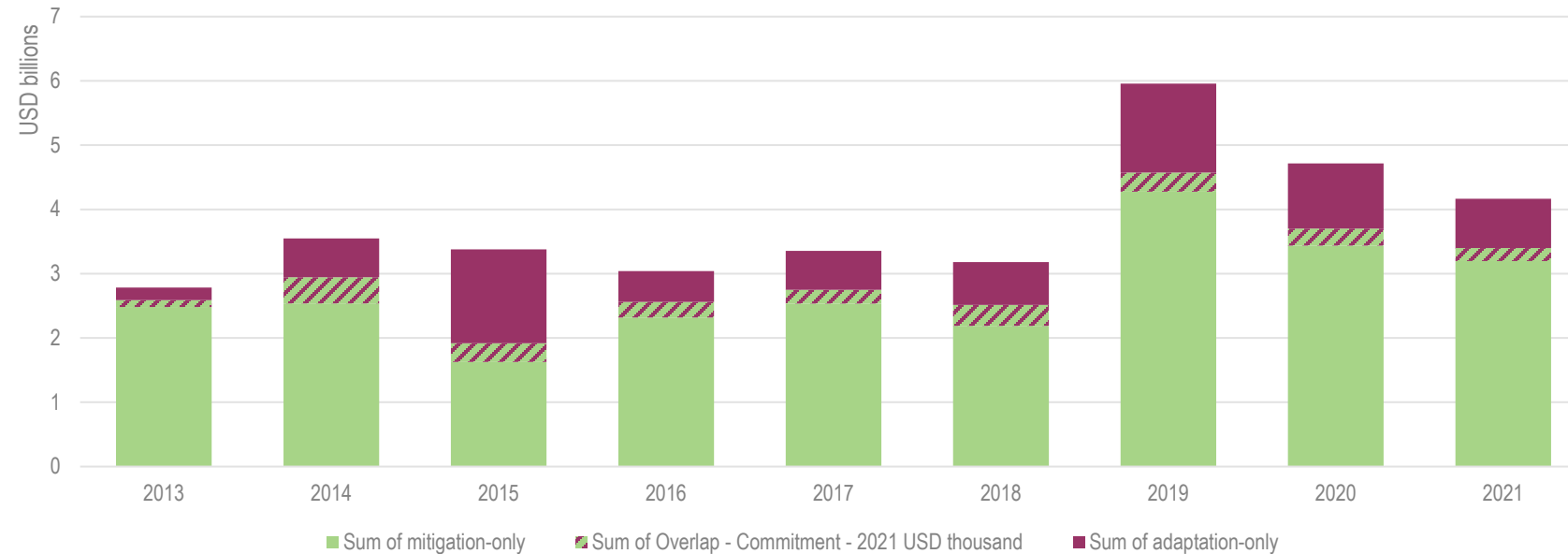
- Bilateral and multilateral development finance
- Concessional and non-concessional
- Pursuing adaptation and/or mitigation objectives
- All sectors

- It includes 'climate-specific' development finance from Multilateral Development Banks (climate components, including EIB)
- It includes 'upper-bound' climate-related data from bilateral donors (Rio markers, including EU)
- All countries in the region
- Data are for commitments





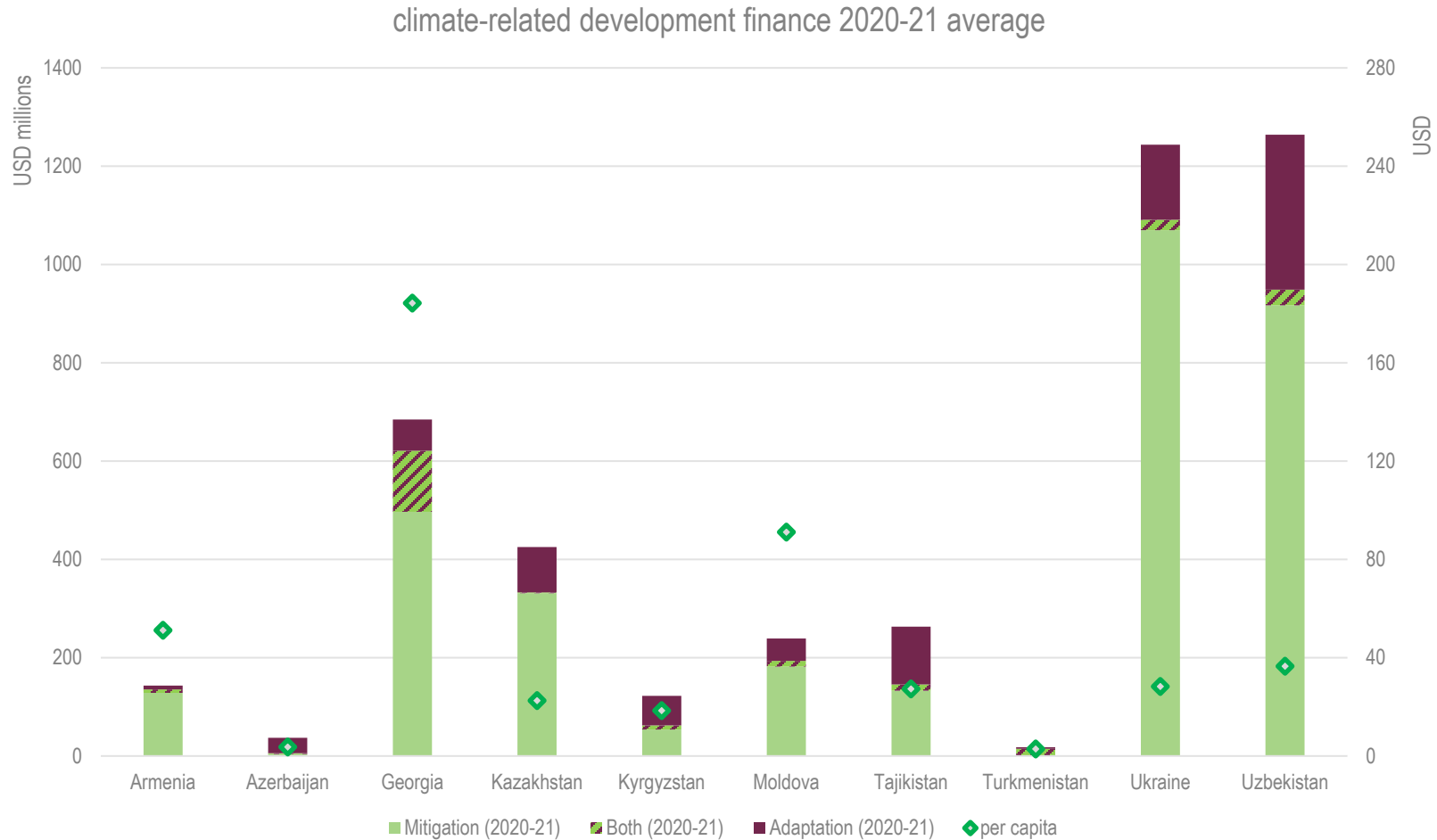
Climate-related development finance to the region – by year



- Overall around USD 3.2 billion per year between 2013-18, and USD 4.9 billion per year in 2019-21
- Mitigation activities prevail (70%)
- MDB finance prevail (67%)
- Few large commitments (e.g. a single large power plant) could influence data significantly



Climate-related development finance to the region – by country

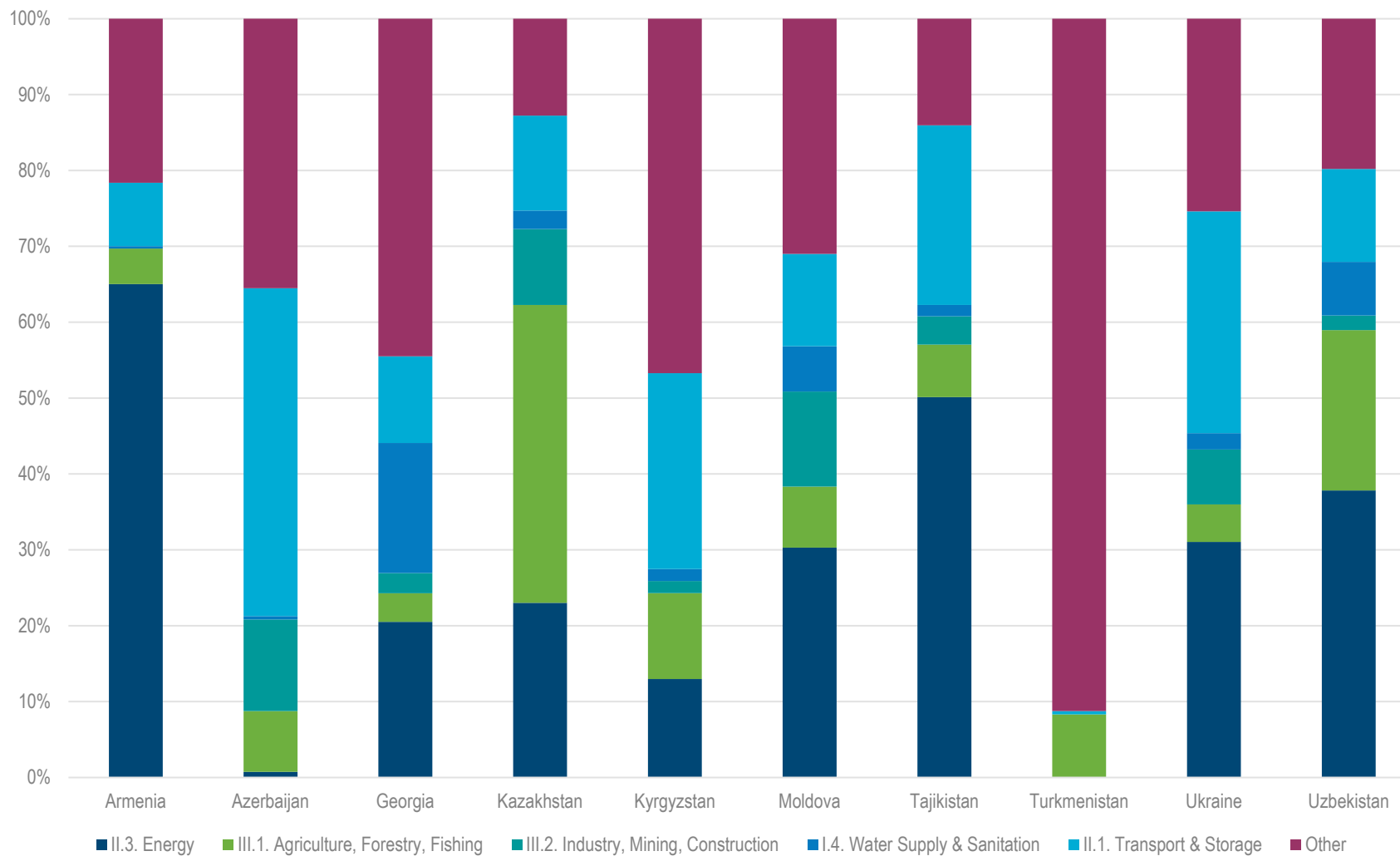


- Ukraine and Uzbekistan are the two countries with highest commitments in 2020-21 in absolute terms
- Georgia and Moldova in per-capita terms
- Tajikistan has a relatively high share of adaptation commitments



Climate-related development finance to the region – by sector

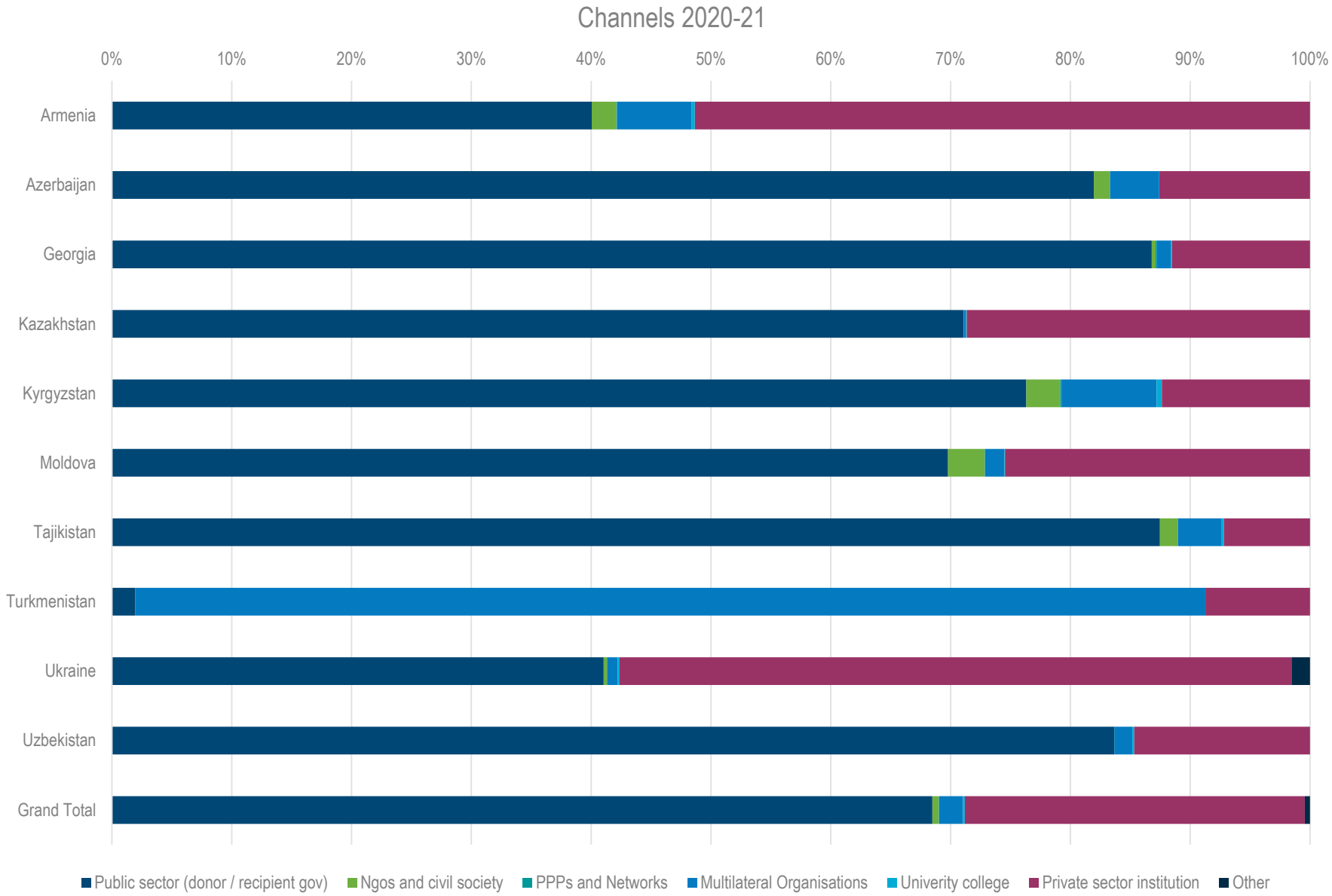
Sectors (2020-21)



- > Different sectors are supported in different countries
- > Energy is the most supported sector in many countries (Armenia, Tajikistan, Uzbekistan and others)
- > Transport in Azerbaijan
- > Agriculture in Kazakhstan
- > Government and civil society in Turkmenistan



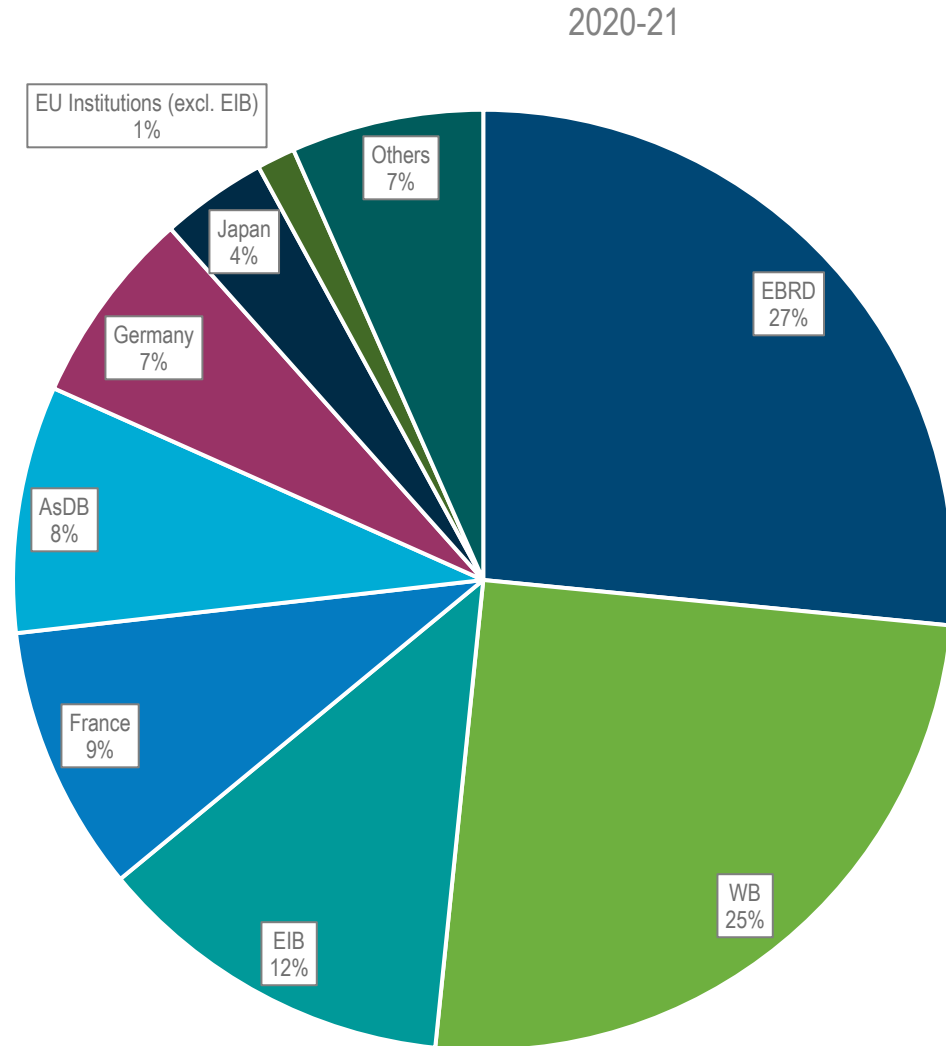
Climate-related development finance to the region – by channel



- > Development finance is channelled through the public sector in almost 70% of the cases, and the private sector in almost 30%
- > Exceptions are Armenia and Ukraine (with over 50% of the private sector) and Turkmenistan (multilateral institutions)



Climate-related development finance to the region – by donor

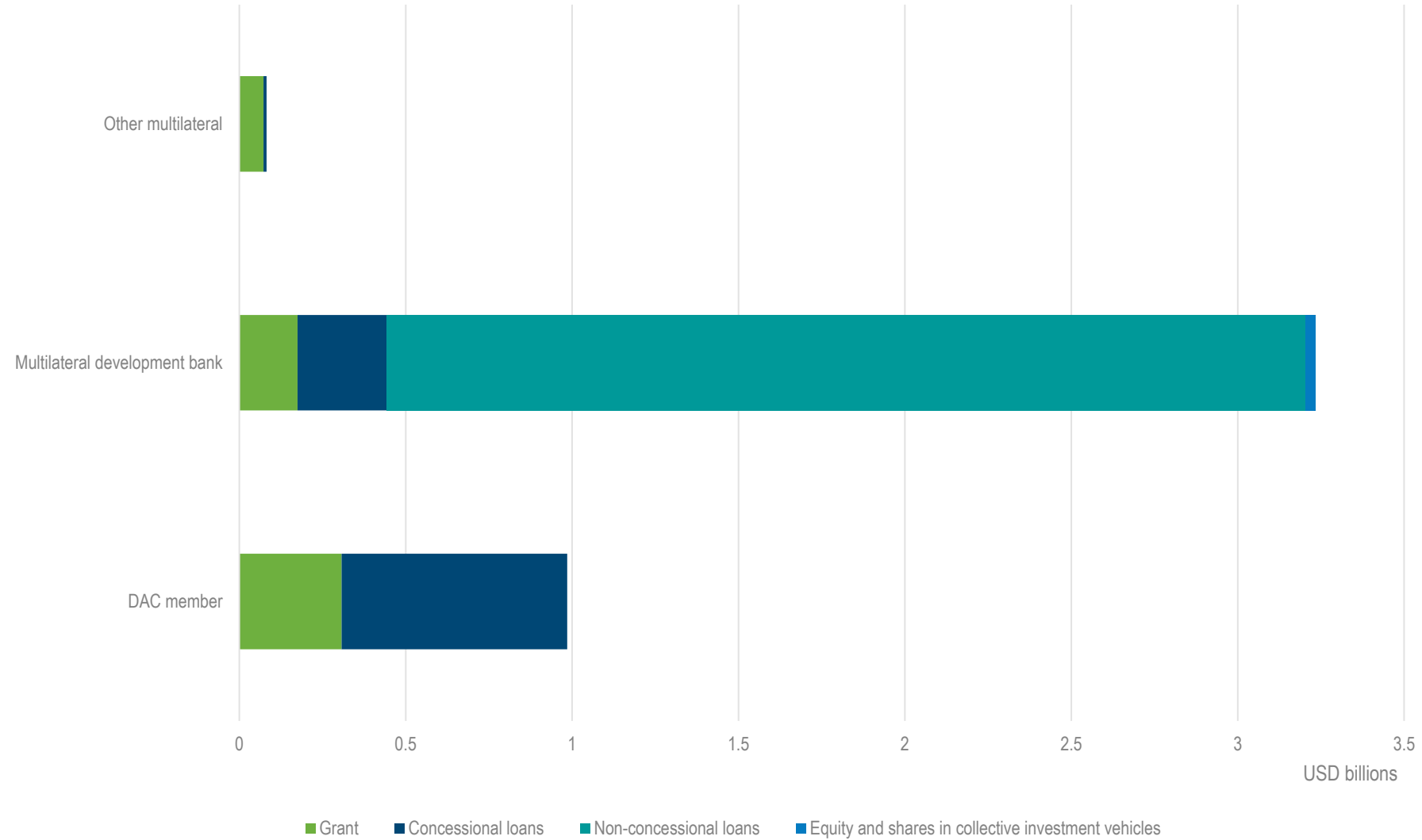


- > Development finance is provided by few institutions.
- > EBRD and WB together account for more than 50% of the commitments, followed by EIB, France and AsDB



Climate-related development finance to the region – by concessionality 1/2

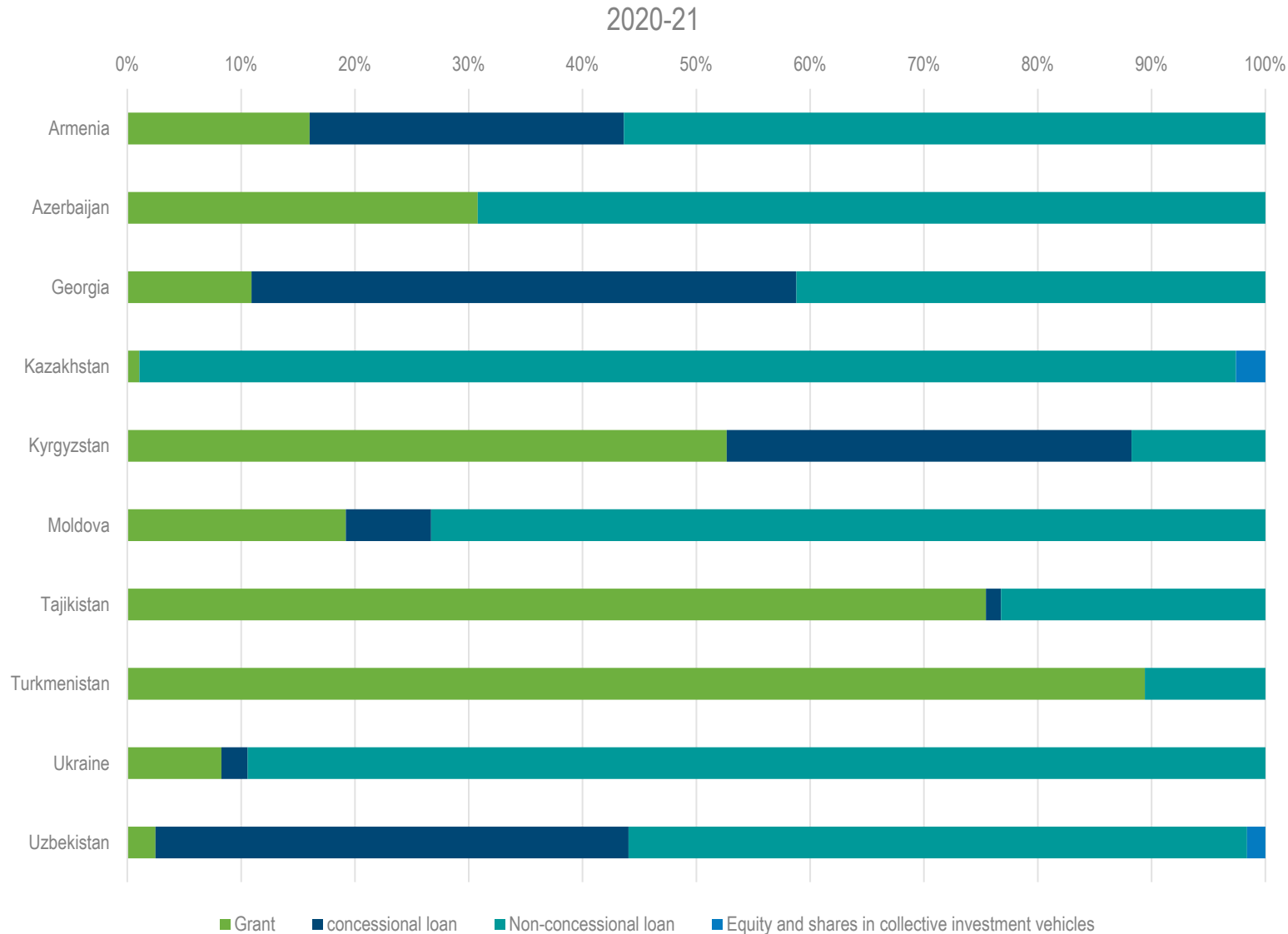
2020-21



- > Most of the finance is committed by MDBs, and most of it is non-concessional
- > DAC members provide around 2/3 in concessional loans, and the rest in grants



Climate-related development finance to the region – by concessionality 2/2



- > Concessionality also varies by country
- > Kazakhstan and Ukraine being the least concessional
- > Turkmenistan, Kyrgyzstan and Tajikistan the most concessional



10 largest projects in 2020-21

EIB	Ukraine	PUBLIC BUILDINGS ENERGY EFFICIENCY
EIB	Ukraine	URBAN PUBLIC TRANSPORT
WB	Kazakhstan	SUSTAINABLE LIVESTOCK DEVELOPMENT
Japan	Uzbekistan	DEVELOPMENT POLICY SUPPORT PROGRAM
France	Uzbekistan	PRÊT DE POLITIQUE PUBLIQUE ÉNERGIE-CLIMAT DANS LE CADRE D'UN PROGRAMME DE DÉVELOPPEMENT DU SECTEUR DE L'ÉLECTRICITÉ POUR UNE ÉCONOMIE BAS-CARBONE
France	Georgia	PROGRAMME PLURIANNUEL DE PRET DE POLITIQ
AsDB	Uzbekistan	CENTRAL ASIA REGIONAL ECONOMIC COOPERATION CORRIDOR 2 (BUKHARA-MISKIN-URGENCH-KHIVA) RAILWAY ELECTRIFICATION PROJECT
France	Georgia	TROISIÈME PRÊT DE POLITIQUE PUBLIQUE POUR LE DÉVELOPPEMENT DE L'EFFICACITÉ ÉNERGÉTIQUE ET L'ACCOMPAGNEMENT DE LA RÉFORME -
AsDB	Uzbekistan	POWER SECTOR REFORM PROGRAM (SUBPROGRAM 1)
AsDB	Uzbekistan	CENTRAL ASIA REGIONAL ECONOMIC COOPERATION CORRIDOR 2 (PAP-NAMANGAN-ANDIJAN) RAILWAY ELECTRIFICATION PROJECT



Thanks