



Climate change and development

The BMZ's climate-related activities

Background information

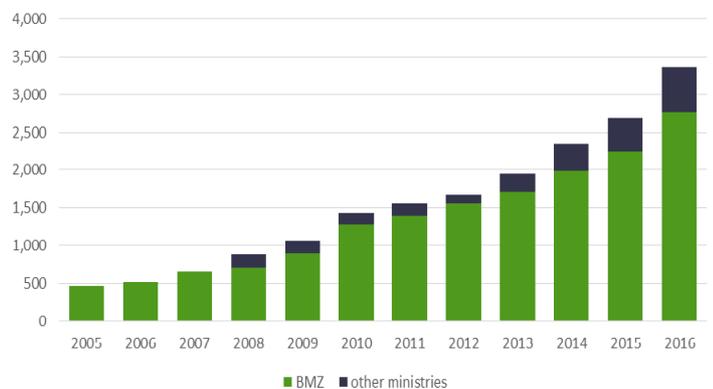
- The 2015 **Paris Agreement** is the first ever **universally binding** climate agreement. The **Nationally Determined Contributions (NDCs)** of the individual countries are key to the implementation of the Paris climate agreement.
- The **2030 Agenda for Sustainable Development**: sustainable development and climate protection are **inextricably linked with one another**. It is the poorest people who are the hardest hit by climate change.
- **The German G20 Presidency in 2016/2017**: linking the implementation of climate, energy and development goals in G20 and developing countries through the **G20 Climate and Energy Action Plan for Growth**.

Climate finance

- By contributing to international climate finance, Germany helps developing countries and emerging economies to reduce greenhouse gas emissions and mitigate the effects of climate change. Germany is thus helping to meet the commitments made in Copenhagen (COP 2009): industrialised countries are to provide and mobilise, **from 2020, an annual \$100bn from public and private sources for climate change mitigation and adaptation in developing countries**.
- In 2016, the German government pledged **some €3.4bn** from budget funds **for international climate finance**. Furthermore, Germany is making an important contribution by mobilising capital market funds via KfW Bankengruppe and its subsidiary the Deutsche Investitions- und Entwicklungsgesellschaft (DEG). **German public funds made available for international climate finance in 2016 came to a total of €8.5bn.**

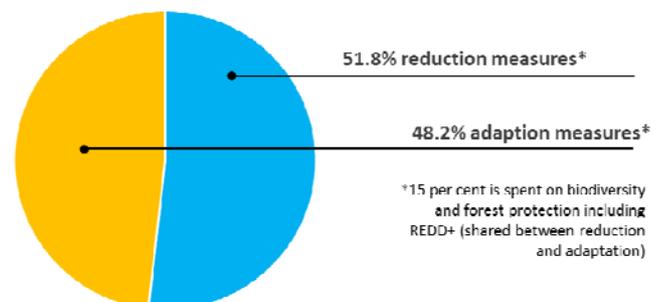
GERMAN CLIMATE FINANCE

in millions of euros



- **80 to 90% of Germany's climate funding each year comes from the BMZ's budget.** In 2016, 52% of the funding for bilateral climate projects supported by the BMZ went on climate protection and 48% on adaptation to climate change; 15% of all climate funding had to do with forests.

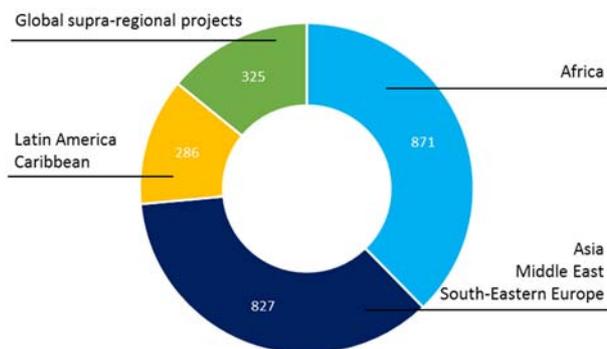
Bilateral climate finance provided by the BMZ in 2016, in percentage terms



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Regional distribution of bilateral climate finance provided by the BMZ in 2016 in millions of euros



- During the period that the projects launched by the BMZ in 2016 alone are operating, an **estimated 240 million tonnes of CO₂ will be saved**. That is equal to the output of more than 100 coal-fired power stations. The adaptation projects supported by the BMZ in 2016 have directly assisted about 29 million people. Through advisory services for governments and capacity building, the BMZ has indirectly reached an estimated 560 million people via its adaptation measures.
- **Multilateral climate finance institutions:** the BMZ is the **lead ministry** for the Global Environment Facility (GEF) and the Climate Investment Funds (CIFs) – and is co-lead with the BMUB (Environment Ministry) for the Green Climate Fund (GCF). The BMZ was the first contributor to the GCF; the commitment of €750m made in 2014 makes it the fourth-biggest donor to the Fund. The BMZ's commitment of €350m to the GEF from 2014 to 2018 makes it the Fund's third-biggest donor; the contribution of €215m so far to the Least Developed Countries Fund (LDCF), which is a sub-fund within the GEF, makes us its biggest donor. The BMZ has made a loan of €500m and a grant of €50m to the CIFs.
- The **multilateral development banks**, for example the World Bank or regional development banks, play a central role in mobilising funding for the necessary transition towards low-emission, climate-proof investments. The German Executive Directors on the Boards of many of these banks come from the BMZ. Within the framework of the **G20** as well, the BMZ plays an active role in ensuring that the multilateral development banks are more strongly involved in the implementation of the global climate goals.

Key climate initiatives

- **Global NDC Partnership (NDCP)**, together with the BMUB. Founded at COP22 in Morocco, the NDCP now has over 70 members; Germany is co-chair. The NDCP supports NDC and related SDG implementation in developing countries by facilitating access to technical support, finance and knowledge.
- **G7 climate risk insurance initiative "InsuResilience"**: insuring an additional 400 million poor and vulnerable people against climate risks; to be founded at COP23: the **InsuResilience Global Partnership** for climate and disaster risk funding and insurance as a joint G20-V20 initiative.
- **Africa Renewable Energy Initiative (AREI)**: extensive promotion of renewable energies in Africa and improved access to energy; bilateral commitments relevant to AREI in 2016 of €1.2bn. Up to 2020, €3bn from the BMZ.
- **Energising Development (EnDev) Initiative**: improving access to electricity and modern cooking energy in 26 partner countries in Africa, Latin America and Asia; since 2005, helping 17.3 million people, 19,400 social institutions and 38,600 small businesses gain access to renewable energy.
- Financing the **REDD+ approach** (Reducing Emissions from Deforestation and Forest Degradation). The current REDD+ portfolio is worth €935m, which is almost half the BMZ's current forest portfolio of about €2bn. The BMZ also supports the **African Forest Landscape Restoration Initiative (AFR100)**, which was set up in 2015 to support the restoration of forests and productive woodland in Africa. Since it was founded by the BMZ, the initiative has received commitments of about €34m to support its current membership of 24 African partner countries.
- **German-Indian Solar Partnership**: since it was established in 2015, the Partnership has been supporting the Indian goal of expanding solar energy by 100 GW through measures to promote rooftop solar kits, decentralised rural electrification, and solar installations and solar parks. Germany has pledged €1bn, with €550m having been committed so far.
- **Transformative Urban Mobility Initiative (TUMI)**: together with eight international partner organisations. Establishing and expanding sustainable mobility systems in developing and emerging countries with funding amounting to more than €1bn since 2016; basic and advanced training for over 1,000 technical and executive staff; global competition for innovative pilot projects in towns and small cities.