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*Finance flows and investment needs
for the Energy and Climate finance landscapes transition*

2016 Climate and energy investment map for Germany *Part of the EUKI-funded project: Climate Investment Capacity 2030*

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Background

- ▶ EU needs 38 billion euros annually in additional investment to meet 2030 targets
- ▶ As public funding is limited, it will not be sufficient to finance it fully
- ▶ The Regulation on the Energy Union Governance requires the EU Member States to design integrated national energy and climate plans (NECP) to ensure the EU's 2030 are achieved.
- ▶ To address the investment challenge, the Regulation requires from MS to include in their NECPs:
 - ▶ an estimate of the investment needs to meet the set objectives, targets and contributions
 - ▶ an assessment of the sources for these investments;
 - ▶ how MS will mobilise the necessary amounts

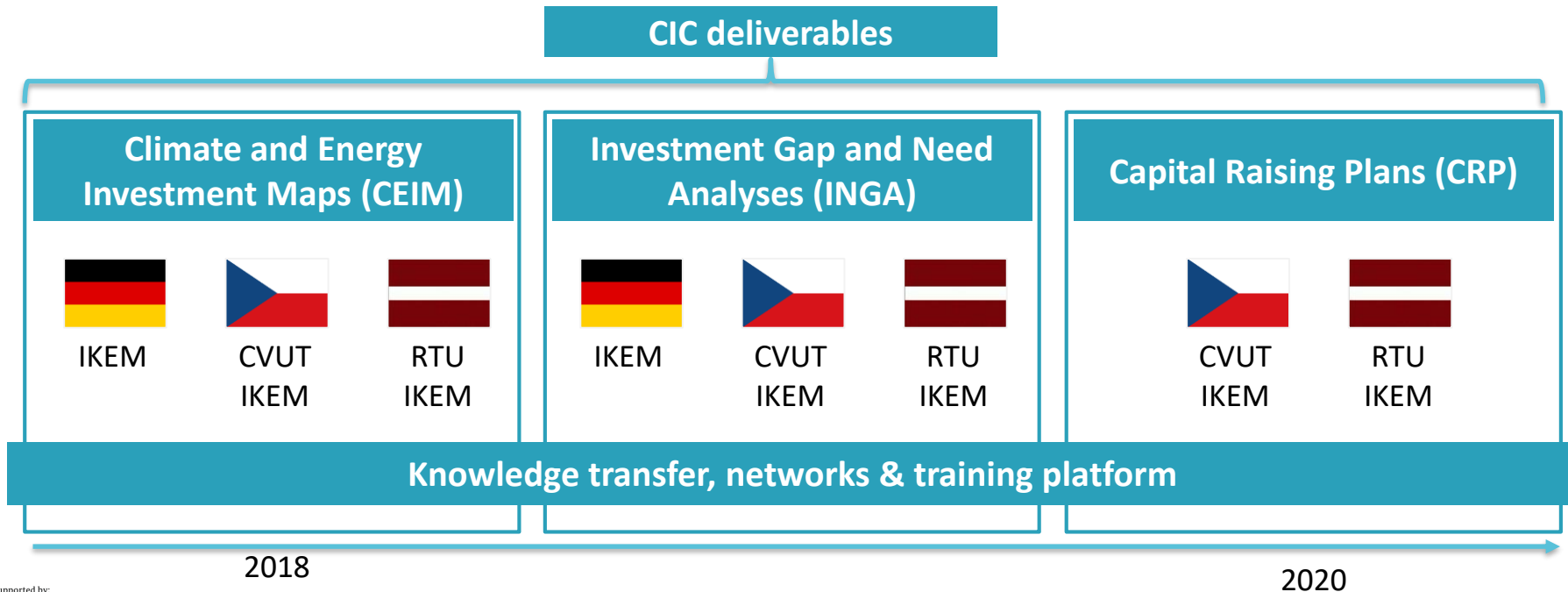
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Project overview

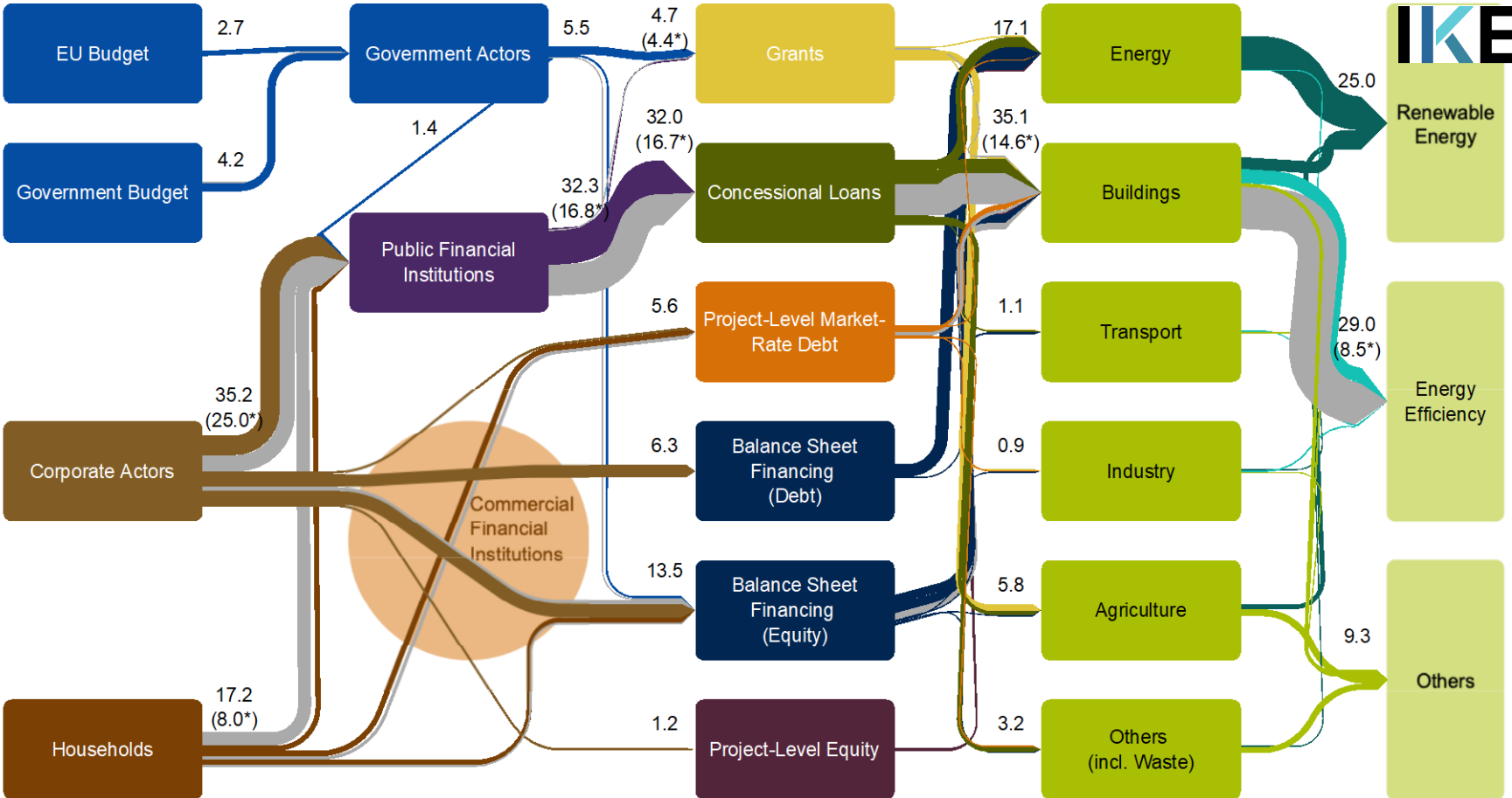
Climate investment capacity (CIC): climate finance dynamics & structure for financing the 2030 targets



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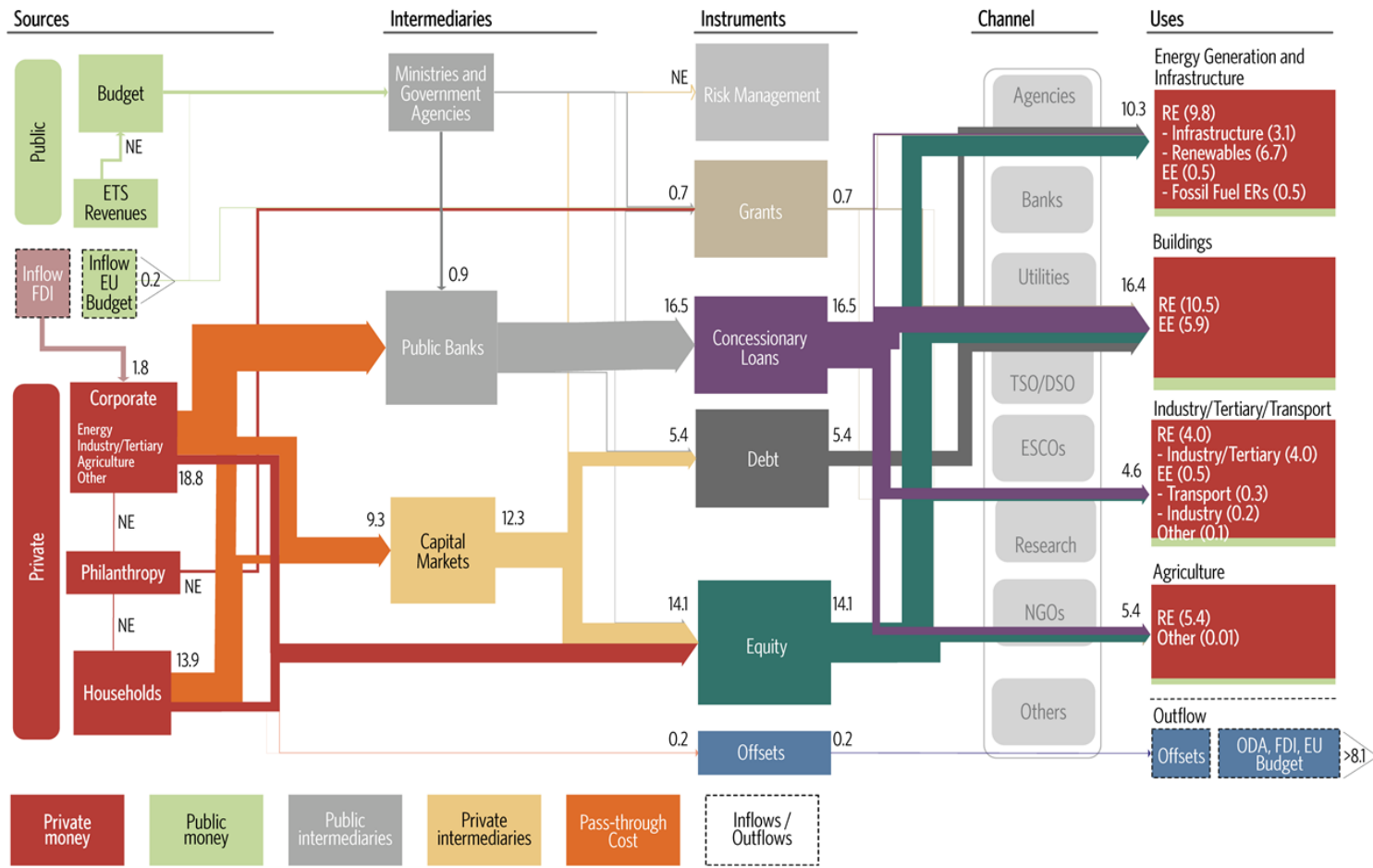


The 2016 Climate and Energy Investment Map for Germany (billion EUR)

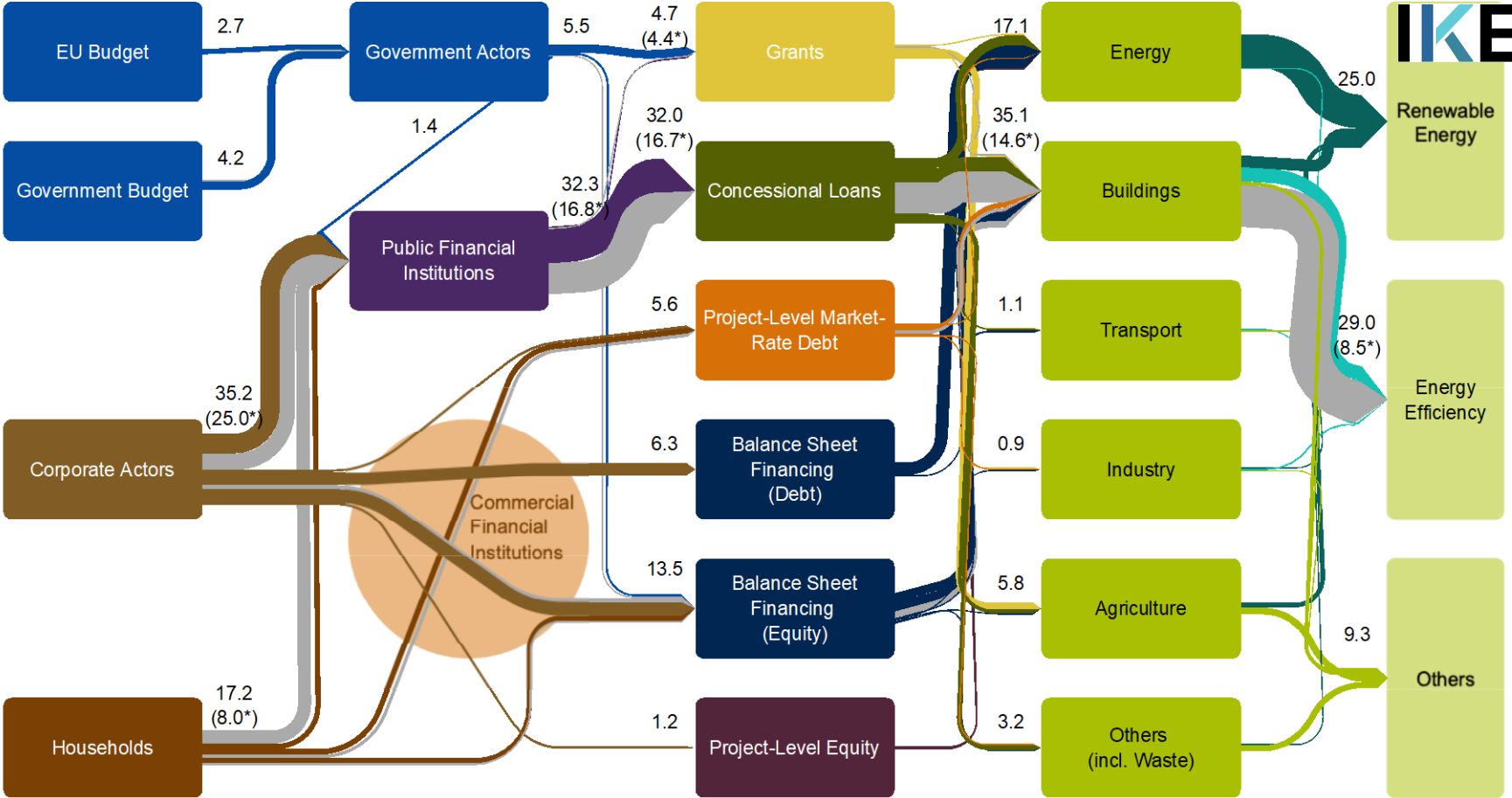


All financial flows except for the grey ones represent total tangible investment. The grey flows represent and starred figures in brackets incremental investment into energy efficiency of buildings. Financing of intangible measures was excluded.

The climate and energy investment maps will mirror the German climate finance landscape 2010 prepared by CPI-Berlin (2012)



The 2016 Climate and Energy Investment Map for Germany (billion EUR)



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Some messages of our 2016 exercise

- ▶ Challenges associated with data availability and format in 2016 were similar to 2010
- ▶ Future assessments would benefit from
 - ▶ The introduction of systematic tracking procedures for domestic public climate finance that covers federal, regional, and local government budgets and climate programmes implemented by public banks and agencies
 - ▶ The evaluation and streamlining of existing private-sector surveys and reporting efforts with the government's climate-investment tracking approaches
- ▶ Need for debate on
 - ▶ What constitutes climate finance at the domestic level
 - ▶ How and to what extent climate-related measures such as infrastructure projects should be accounted for
 - ▶ Practicable approaches to calculating incremental costs of climate investment

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CIC2030 project websites:

EUKI: www.euki.de/en/euki-projects/climate-investment-capacity-cic2030/

IKEM: www.ikem.de/en/portfolio/cic2030/

CVUT: <https://ekonom.feld.cvut.cz/cs/katedra/lide/valenmi7/cic2030/>

RTU: <https://videszinatne.rtu.lv/en/science/project-and-research/cic2030/>