

17 Provision of climate financing to developing countries

17.1 The United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement are the primary multilateral mechanisms for addressing the causes and consequences of climate change.¹ The provision and mobilisation of climate finance is central to the UNFCCC and the Paris Agreement.

17.2 The UNFCCC defines 'climate finance' as local, national or transnational financing — drawn from public, private and alternative sources — that seeks to support mitigation and adaptation actions to address climate change.

17.3 Official development assistance (ODA) is government aid that promotes and specifically targets the economic development and welfare of developing countries.² In 2024, Ireland's ODA totalled €2.35 billion.³ Climate financing to developing countries accounted for around 9% of Ireland's ODA in 2024.

17.4 In November 2021, Ireland committed to providing at least €225 million annually in climate finance to developing countries by 2025.⁴ Achievement of that target required a significant increase over the baseline climate financing level of €88.3 million in 2020.

17.5 Ireland adopted a Climate Finance Roadmap (the Roadmap) in 2022 setting out a whole-of-government strategy to achieve its climate finance targets, including its geographic focus.⁵ The aim is to achieve expenditure targets through public sources of finance in the period to 2025, while exploring how private climate finance can be mobilised over time. The roadmap is intended to apply to all channels of climate finance delivered by all climate finance spending Departments.

Focus of the examination

17.6 This examination was undertaken to review

- arrangements in place for allocating climate finance to developing countries and evaluating results achieved
- controls in place to ensure funding reaches the intended recipient(s) and to prevent duplicate funding
- progress to date in relation to the objectives and targets set out in the Climate Finance Roadmap.

17.7 The examination team met with staff from the government departments concerned and reviewed relevant documentation as part of the examination.

¹ The Paris Agreement is a legally binding international treaty on climate change. It was adopted at the UN Climate Change Conference in Paris in December 2015.

² In 1970, the UN set a target for developed countries to contribute ODA equivalent to 0.7% of their gross national income (GNI) each year. Ireland has committed to meeting the ODA target by 2030.

³ Includes expenditure of nearly €627 million to support Ukrainian refugees in Ireland.

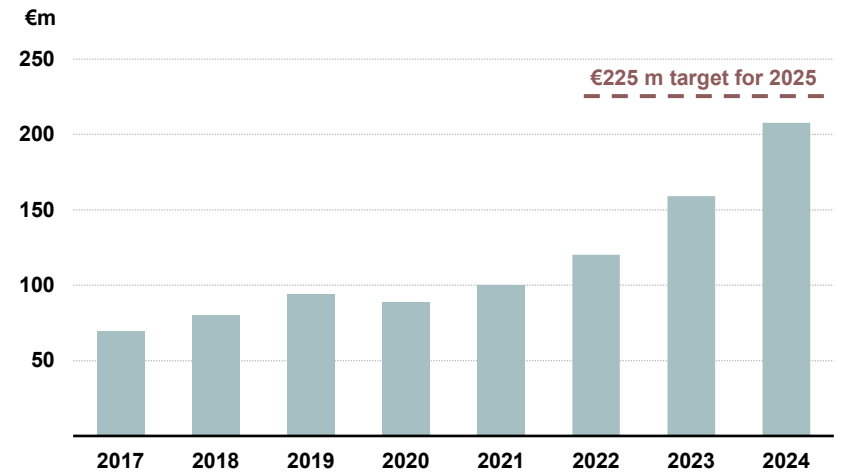
⁴ The commitment was made at the 26th Conference of the Parties (COP 26) of the UNFCCC in Glasgow.

⁵ [Ireland's International Climate Finance Roadmap](#) (2022).

Climate finance outturn

17.8 Ireland’s annual climate finance allocations to developing countries have increased consistently since 2020 (see Figure 17.1). In 2024 (the latest year for which data is available), climate financing totalled nearly €208 million. Analysis carried out by the Department of Foreign Affairs and Trade’s Climate Unit in autumn 2025 projects that Ireland will have met the target of €225 million for 2025 when the verification of figures is complete.

Figure 17.1 Ireland’s climate financing to developing countries 2017 – 2024^a



Source: Ireland’s International Climate Finance Roadmap 2022 (2017 to 2020 figures); Ireland’s Climate and Environment Finance Reports 2024 (2021 to 2024 figures)

Note: a The figures shown represent climate finance provided directly by Ireland. Climate finance provided via the EU budget (to which Ireland is a net contributor) or the European Development Fund is not included.

Financing verification arrangements

17.9 Ireland reports annually to the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee on overall ODA expenditure against a set of internationally agreed statistical standards.⁶ Reports are made in the year after the expenditure is incurred. To calculate the total amount reportable as international climate finance, all of Ireland’s ODA is assessed for climate relevance following verification by the OECD.

17.10 As part of its ODA reporting to the OECD, Ireland assesses the relevance of its ODA projects and programmes to different policy objectives such as gender equality, nutrition, governance and climate. Spending on bilateral, climate-related ODA is tracked using a defined methodology for counting development aid known as ‘Rio markers’.⁷ Donors are provided with broad-based definitions and guidance on the application of the Rio markers to development cooperation activities. Activities are categorised as ‘principal’, ‘significant’, or ‘not targeted’ for each Rio marker, which determines the percentage of budget attributable to climate finance. To receive budget allocations specifically earmarked for climate under the Department of Foreign Affairs and Trade’s ODA budget, projects must qualify for a Rio marker of 2 — denoting climate as a principal project objective — for either climate adaptation or mitigation, when assessed at appraisal stage.

6 The Development Assistance Committee is a body within the OECD which establishes definitions and methods for monitoring, assessing and reporting resources contributing to development cooperation.

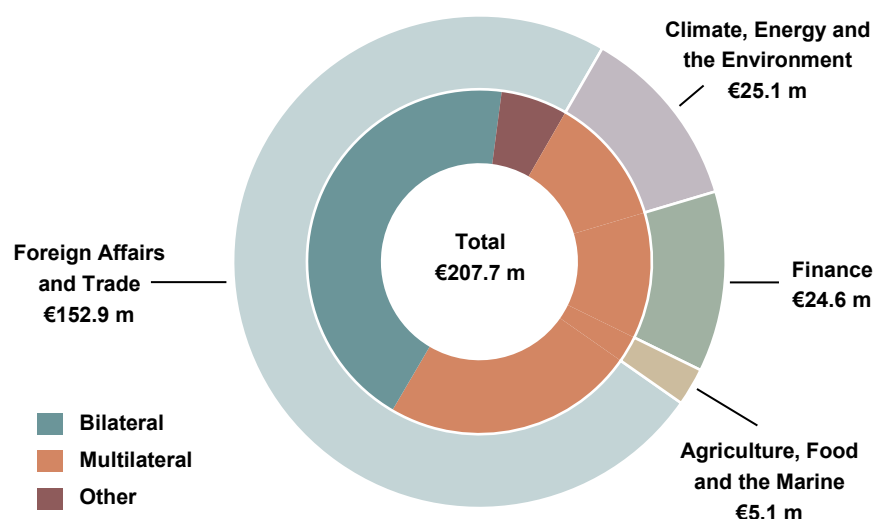
7 Rio markers were developed by the OECD to enable the consistent measuring and monitoring of bilateral climate-related and environment-related development finance provided by donor countries and multilateral institutions to developing countries.

- 17.11** Verified final ODA figures are available from the OECD in December of the year following disbursement. Around four months after, the Department of Foreign Affairs and Trade publishes an annual report on climate and environmental finance, with information on funding sources, thematic and geographic priorities, and disbursement channels. The report for 2024 was published in April 2026.⁸
- 17.12** Ireland also reports annual climate finance contributions to the European Union and to the UNFCCC.

Allocation of climate finance

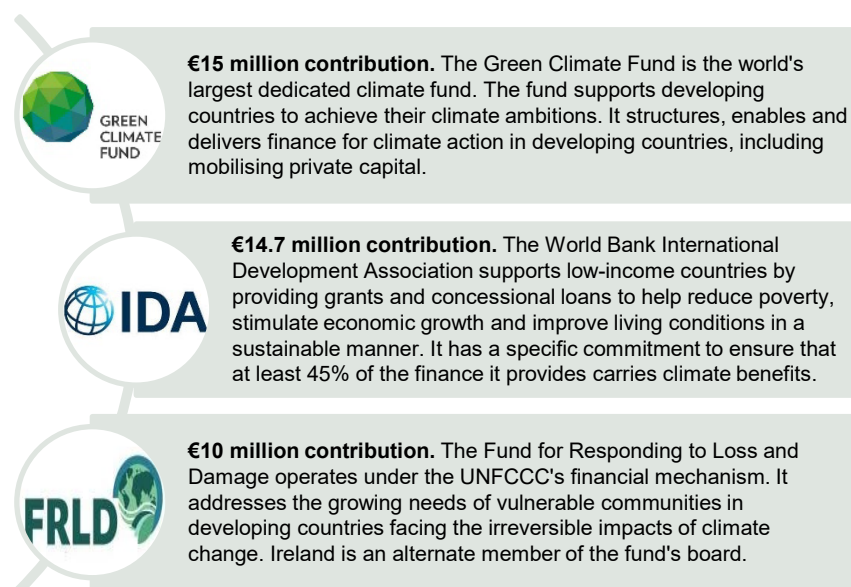
- 17.13** Exchequer funding for climate finance to developing countries is provided annually to spending departments through the estimates process. In 2024, a total of nearly €208 million climate finance expenditure was incurred by four departments (see Figure 17.2).
- 17.14** Climate finance is delivered through three channels
- **multilateral programming** — involving contributions to multilateral climate change funds, international financial institutions and other international organisations, including UN bodies (see Figure 17.3 for information on the largest multilateral climate finance contributions in 2024)
 - **bilateral programming** — involving the provision of climate finance through Ireland's overseas mission network and civil society organisation partners
 - **other** channels — comprises research, knowledge and thematic partnerships e.g. with the International Institute for Environment and Development, and the International Institute for Sustainable Development.

Figure 17.2 Climate financing 2024, by department and funding channel



⁸ [Ireland's Climate and Environmental Finance Report 2024](#), Department of Foreign Affairs and Trade.

Source: *Ireland's Climate and Environmental Finance Report 2024*

Figure 17.3 Largest multilateral climate finance contributions in 2024

Source: *Ireland's Climate and Environmental Finance Report 2024*

17.15 Budget allocation processes within the spending departments take account of climate policy objectives and international commitments, in line with *Ireland's International Climate Finance Roadmap*.

17.16 In the Department of Foreign Affairs and Trade, climate finance is provided through Vote 27 International Co-operation.⁹

- In practice, many business units and missions include climate objectives in their strategies and business plans. In line with the principles of sustainable development and Ireland's commitment to 'climate-proof' development co-operation, some projects and grants may result in climate co-benefits that are reportable as climate finance.¹⁰
- Annual climate finance includes both funding earmarked for climate objectives at the outset, and finance co-benefiting other projects and sectors.
- The Department of Foreign Affairs and Trade's Climate Unit tracks anticipated climate spend. However, the final determination of climate finance outturn for a particular year comes through an OECD-led verification process that only concludes approximately 15 months after the end of the year of expenditure.

17.17 The budget allocation process in the Department of Climate, Energy and the Environment involves working with several longstanding funding partners.¹¹

- The largest single payment in 2024 was a €15 million contribution to the Green Climate Fund, established in 2010 specifically to serve the UNFCCC.¹²
- In most other cases, funding is allocated on a year-by-year basis, though partners may ultimately be supported for several consecutive years, subject to their work continuing to align with Irish international climate and ODA priorities.

9 The Department prepares and submits a formal annual submission to the Minister for approval. The submission includes details of the proposed allocation for climate finance, the rationale for continuing support and the alignment with climate finance priorities. Funding is disbursed once ministerial approval is received.

10 Climate-proofing involves ensuring that all projects are sensitive to climate considerations.

11 Ministerial approval is provided based on an annual climate finance submission from the Department of Climate, Energy and the Environment.

12 The payment in 2024 related to Ireland's pledge of €40 million funding, under the second replenishment cycle of the Green Climate Fund in 2023.

- In certain cases, the funding level is predetermined based on existing agreements, with set amounts allocated annually. Agreements are reviewed each year to ensure they are in alignment with the Climate Finance Roadmap.

17.18 The Department of Finance is a shareholder in a number of multilateral development banks including the Asian Development Bank, the Asian Infrastructure Investment Bank and the African Development Bank. Support for climate finance is channelled through contributions to concessional funds and capital subscriptions which form part of the overall capital structure of the banks. Member contributions to concessional funds are commingled in a core pool. The Department of Finance stated that climate-related investment and outcomes are a key priority for multilateral development banks. It stated that the banks typically aim to allocate 40 to 50% of approved financing to climate-related activities.

17.19 For the Department of Agriculture, Food and the Marine, climate-related funding in 2024 largely consisted of a ring-fenced contribution of €5 million to the World Food Programme. The payment was made under the Ireland World Food Programme Strategic Partnership Agreement 2025 – 2027.

Coordination of climate finance

17.20 The Climate Finance Roadmap provided for the establishment of a new climate finance subgroup of the existing Interdepartmental Committee on Development Cooperation (ICDC).¹³ The role of the subgroup is to oversee, coordinate and ensure coherence of spend across all climate finance spending Departments.

17.21 In parallel to the budgetary process, the ICDC subgroup discusses estimated climate finance budgets for the forthcoming year, in the context of overall ODA budgets. The subgroup discussions are without prejudice to the budgetary process and typically take place in the summer, with departments confirming their allocations at meetings later in the year.

17.22 It can be difficult to accurately predict annual climate finance outturn due to the complex attribution system used by the OECD.¹⁴ For example, while the ICDC subgroup had initially estimated a climate finance spend of approximately €180 million for 2024, the final outturn for that year was nearly €208 million. The Department of Foreign Affairs and Trade stated that such projections are updated on a rolling basis, as data is finalised and verified by climate finance spending Departments, missions, units and subsequently the OECD.

13 The Interdepartmental Committee on Development Cooperation aims to ensure effective coordination and active engagement across Government to achieve international development goals.

14 Climate finance attribution systems include projects and programmes that carry benefits for climate, even if this was not their primary purpose. Full visibility of this portion comes only after all of Ireland's ODA payments for a given year have been reviewed for climate relevance.

15 [Climate Finance and Ireland](#), dóchas, October 2025.

Funding distribution

17.23 An October 2025 report published by dóchas, a representative body for non-governmental development organisations in Ireland, was generally positive about the quality of Irish climate finance.¹⁵ The report commended several features of the Irish approach, which have ensured that funds have largely been directed to where the need is greatest, including that it

- focuses mainly on climate-vulnerable countries
- is gender-responsive, recognising the intersection of gender inequality and climate change

- has been delivered in the form of grants as opposed to loans and has been oriented towards the adaptation needs of countries.

17.24 However, the report also notes that more than half of the Irish climate finance comprises grants to multilateral development banks, UN funds and other international bodies. Such funding is a grant only at the point of disbursement by Ireland and could later be converted to loans by the funded organisations. The report identified this as an area that requires more oversight. The Department of Foreign Affairs and Trade stated that the rationale for providing multilateral climate finance includes to increase reach and impact, to mitigate fragmentation of international financial systems, to streamline administrative demands on partners and to support the designated operating entities of international climate agreements.

17.25 Nearly three-quarters of Irish climate finance in 2024 was provided for programmes and projects solely targeting adaptation to climate change.¹⁶ A further 15% of the funding went towards measures incorporating both adaptation and mitigation actions, with just 11% for mitigation-focused activities only.¹⁷

17.26 The Department of Foreign Affairs and Trade screens all ODA for climate-relevance. This exercise captures both funding earmarked for climate at allocation stage, as well as broader funding with significant benefits for climate action.

Project selection

17.27 In the Department of Foreign Affairs and Trade, projects in receipt of earmarked climate finance are selected based on alignment with priorities in the Climate Finance Roadmap and on the extent of their climate-relevance. All grants successful at appraisal and approval stage are subject to compliance with conditions set out in agreements with funding partners.

17.28 *Ireland's Climate and Environmental Finance Report 2024* provides examples of specific projects funded by Ireland in that year.

- Ireland provided €300,000 in 2024 towards a project to deliver a reliable water source for a school in Mabote, Mozambique. Since project completion, attendance at the school has stabilised and a new school garden provides a food source for students.
- Irish climate financing of €114,000 in 2024 supported the construction of a new waste management plant in Freetown, Sierra Leone.¹⁸ The plant now treats 20% of the city's human waste and pilots waste-to-energy technology to produce cleaner and more sustainable alternatives to charcoal.

17.29 Neither the Department of Climate, Energy and the Environment nor the Department of Finance allocate funding directly to individual projects. Most of the funding provided is channelled through partnerships and multilateral climate funds such as the Green Climate Fund and the Global Environment Facility. Project selection within those funds is undertaken at board level in consultation with fellow donor countries. This is done in line with their governance frameworks and strategic priorities, as follows.

16 Adaptation measures involve taking appropriate action to prevent or minimise the damage that may be caused by climate change or taking advantage of opportunities that may arise.

17 Mitigation measures involve minimising the impacts of climate change by preventing or reducing the emission of greenhouse gases into the atmosphere.

18 The 2024 contribution was made in the context of an ongoing multiannual partnership with GOAL. Under this partnership, the Department of Foreign Affairs and Trade has contributed total funding of over €662,000 to the project in the period 2023 – 2026. Ireland also supported the project under a previous civil society funding scheme.

- For the Green Climate Fund, the Department of Finance contributes to the assessment of project proposals through its alternating roles as a board member and as an advisor.
- For the Global Environment Facility and the Initiative for Climate Action Transparency, the Department of Climate, Energy and the Environment contributes to the assessment of project proposals through its respective roles as an alternate board member and member of the steering committee.

17.30 The Department of Agriculture, Food and the Marine does not have primary responsibility for selecting individual projects to receive climate financing.

Grant management and control

17.31 The Department of Foreign Affairs and Trade is guided by the Climate Finance Roadmap when allocating funding to specific climate finance projects. The Department allocates, monitors and evaluates climate finance using its standard approach to grant management (see the key stages at Figure 17.4). Where climate-relevant partnerships are being considered by other units/missions, the Department's Climate Unit provides technical expertise and input as required at each stage of the grant management process.

17.32 The Department's guidance material specifies actions to be taken, and information and documentation to be available, for each stage of the grant management cycle. It includes supporting templates and prompts managers and decision makers to consider all potential projects, partners and funding decisions from the perspective of risk, results and financial accountability.

17.33 While the Department of Foreign Affairs and Trade provides a combination of bilateral and multilateral climate finance, the other three climate finance spending Departments provide climate funding through multilateral channels only. The nature of this funding means that money is pooled with contributions from a range of other donors. For such partnerships and multilateral funds, contributors do not retain direct control of how contributions are allocated and disbursed.

- The Department of Climate, Energy and the Environment stated that for pooled funds, it may provide input into the work programme, approach and strategy of the funds in cases where it is represented at board or steering committee level.
- The Department of Finance stated that fund strategies are discussed and agreed at board level where there is an opportunity to provide input and guidance on their development. The Department of Finance inputs to the Green Climate Fund through its participation in a constituency board seat with Spain and New Zealand. Whether acting as an alternate board member or as an advisor, the Department stated that it can exert influence through its constituency board member or by way of discussions with other board members.

Figure 17.4 Key elements of the Department of Foreign Affairs and Trade's climate finance grant management and control procedures

Stage	Grant management procedures	Controls
Identification of projects and partners	- Screening of the relevance of expected results for the priorities of Ireland's international development policy, the suitability of the prospective partner and the Department's capacity (in terms of the available financial and human resources) to manage the grant.^a - For earmarked climate finance, with support from Climate Unit, additional screening of the relevance of expected results for Ireland's international climate finance priorities as set out in the Climate Finance Roadmap.	- Partners must declare any conflicts of interest and comply with relevant legislation and financial obligations, including avoidance of fraud and corruption. - Assessment of partner's capacity for managing risk.
Design and development	- Department engages with partner to prepare a project/programme proposal. - Grant manager develops an understanding of the project/programme, the budget, and the partner organisation and its performance history. - For earmarked climate finance, develop an understanding of the climate-relevance of the project, drawing on guidance and expertise from Climate Unit.	Sufficient information gathered on project (including climate-relevance), partner and budget to inform subsequent appraisal.
Appraisal, recommendation and approval	- Manager documents assessment of the project/programme, the partner, Ireland's contribution in the context of other funding and associated risk. - Grant manager issues recommendation on whether a grant should be awarded and sets out any conditions that should be included in the grant agreement and/or monitoring of the grant. - For earmarked climate finance, the appraisal must record a required level of climate-relevance, and the recommendation is issued in consultation with Climate Unit. - Grant recommendation considered by budget holder and approved at a level appropriate to the recommended funding amount.	- Record manager's assessment and recommendation, and the subsequent grant decision, including any conditions to be attached to the grant agreement and/or monitoring of the grant. - Document assessment of the project's contribution to thematic areas and sectors relevant to Ireland's international development policy. - Decisions on allocation of earmarked climate finance are based on OECD Rio markers.
Implementation	Involves entering into a written agreement with the relevant partner organisation, processing grant payments, and monitoring performance and continued relevance against the reporting and accountability requirements agreed at approval stage.	- Written agreement in place and receipts obtained for funds transferred. - Periodic progress reports/audits from partners reviewed by grant managers. - Rolling meetings/engagement with partners and potential monitoring visits. - Department can audit original documentation and evaluate funded activities.
Completion and learning	Involves accounting for and closing a grant file, considering audits and evaluations, and noting results achieved and useful lessons learned.	- Final report/statement from partner showing funding applied and outcome achieved. - Closure note completed by grant manager.

Source: Department of Foreign Affairs and Trade

Note: a [A Better World. Ireland's Policy for International Development](#), 2019.

- 17.34** Independent audit assurance may be provided by the supreme audit institutions of the developing countries in cases where specific projects are co-funded with other donor countries and channelled through government systems.
- 17.35** The Department of Finance also stated that Green Climate Fund contributions are strictly conditional and governed by a funded-activity agreement.¹⁹ It noted that duplicate funding to the Green Climate Fund is prevented through a combination of financial disclosure requirements, national coordination and inter-fund synchronisation. Accredited entities are legally mandated to declare all co-financing sources in their proposals and report any new donor contributions annually to ensure Green Climate Fund funds only cover additional climate costs.²⁰
- 17.36** The Department of Climate, Energy and the Environment stated that in certain circumstances it may apply conditions to funding for climate finance. For example, it provided €400,000 to the UNFCCC Trust Fund for Participation in 2025 with the condition that €350,000 of that funding be allocated to locations classified by the UN as either 'least developed countries' or 'small island developing states'.
- 17.37** The Department of Climate, Energy and the Environment stated that each funding partner carries out financial monitoring through its own established fiduciary and audit systems. Funding partners also consolidate financial reporting at various levels, providing an oversight of disbursements and expenditure across programmes. Reports received are reviewed and discussed at meetings with funding partners. Given the nature of the funding, reports are also discussed at board level with other donor countries.
- 17.38** Following disbursement, the Department of Climate, Energy and the Environment follows up with partners to request confirmation that they have received payment.
- 17.39** Performance measurement across all four climate finance spending Departments is based primarily on the grantee's own monitoring and evaluation systems. In addition, all the Departments retain the right to evaluate all funded programmes and projects independently.
- 17.40** The Department of Foreign Affairs and Trade has stated that climate finance is monitored and reported in line with internationally agreed methodologies, set by the OECD Development Assistance Committee, the EU and the UNFCCC. Based on these and in addition to fulfilling its related reporting obligations, the Department publishes a climate finance report annually, providing quantitative and qualitative information on thematic and geographic areas of support.

¹⁹ This legal contract includes 'conditions precedent' that must be satisfied before any money is released, such as finalised technical designs or proof of financial capacity. There are also ongoing covenants like mandatory independent audits, annual performance reports and strict adherence to environmental and social safeguards.

²⁰ This is verified by the GCF's Independent Technical Advisory Panel and the host country's national designated authority which ensures alignment with existing donor projects.

Evaluation of climate finance results

- 17.41** The Department of Foreign Affairs and Trade publishes annual reports on Ireland's climate and environmental finance. Each report includes a detailed analysis of the climate finance provided in the year as well as information on funding sources, thematic and geographic priorities and disbursement channels. The reports also include year-on-year trends highlighting Ireland's progress towards meeting international climate finance commitments.

- 17.42** The annual reports on climate and environmental finance include case studies which provide an indication of the impact of the selected projects. However, there are no metrics to quantify outcomes across the portfolio.

Progress in achieving Climate Finance Roadmap objectives

- 17.43** The Climate Finance Roadmap sets out a framework for achieving climate finance commitments to 2030. It includes commitments to
- provide at least €225 million climate finance annually to developing countries by 2025
 - scale up Ireland's international climate finance, prioritising adaptation funding in least developed countries and small island developing states most vulnerable to climate change
 - provide finance primarily through grants instead of loans, to reduce debt pressure on poorer countries
 - adopt a coordinated, all-of-government approach to deliver on targets
 - carry out an external review of the Climate Finance Roadmap by end 2025.

Roadmap implementation review

- 17.44** In 2025, the Department of Foreign Affairs and Trade commissioned an external review of the Climate Finance Roadmap. The review was carried out over July and August 2025 by Trinomics, a consultancy firm specialising in energy, environment and climate change policy.²¹
- 17.45** The purpose of the review was to ensure that Ireland's climate finance strategy remains responsive to evolving global needs and is aligned with international commitments. The methodology involved desk-based analysis of relevant documents and interviews with key stakeholders.
- 17.46** The focus of the review was on evaluating two main dimensions of Ireland's climate finance commitments, as set out in the Climate Finance Roadmap i.e.
- assessing the progress on the strategic priorities, including Ireland's thematic focus areas and key quantitative targets
 - examining the operationalisation of these priorities, including how responsibilities are distributed among relevant government departments, agencies and delivery partners.
- 17.47** Overall, the review found that Ireland is on track to achieve its headline target of providing €225 million in annual climate finance by 2025. It concludes that Ireland has made clear and measurable progress in delivering on commitments in the Climate Finance Roadmap.
- 17.48** The review identifies some areas for improvement. A key finding is that current arrangements for tracking the outcome and impact of Ireland's climate finance are limited. The report notes that impact assessment remains a work in progress with a heavy reliance on case studies and a lack of formal mechanisms for monitoring the effectiveness of funded activities at portfolio level.

²¹ [Review of Ireland's International Climate Finance Roadmap](#), Trinomics, September 2025.

17.49 The Department of Foreign Affairs and Trade stated that discussions are ongoing at global level on climate finance reporting obligations and impact metrics. It highlighted a number of challenges in measuring the impact of Irish climate finance including

- the diversity of Ireland's climate finance portfolio in terms of funding channels and partnerships
- the number of actors engaged in delivery of the whole-of-government Climate Finance Roadmap
- the need to balance considerations such as specific context of projects and alignment with country frameworks against meaningful assessment at portfolio level.

17.50 Other challenges identified in the Trinomics report include that

- while it is evident that support for least developed countries has increased significantly in recent years, climate finance to fragile states is not systematically tracked
- in some cases, the Roadmap is not used or is only used retrospectively to justify decisions rather than to guide forward-looking strategy
- while the operationalisation of the Roadmap has been largely successful, further delivery is constrained by capacity gaps, high staff turnover, and a reliance on informal relationships and shared experience.

17.51 The Department of Climate, Energy and the Environment leads Ireland's reporting to the UNFCCC. The Department does not currently report on mobilised private climate finance, as all of Ireland's funding is public and grant based. However, the Department has acknowledged that there is a growing expectation for such reporting and that this needs to be addressed in future reporting cycles.

17.52 The Trinomics report included an implementation tracker for actions related to commitments in the Climate Finance Roadmap. A summary of the progress on each action is set out at Annex 17A. As of September 2025, two commitments had been met, twelve were in progress and one had not been met.

Response of the ICDC subgroup on climate finance

17.53 The ICDC climate finance subgroup established under the Climate Finance Roadmap has formally responded to the Trinomics review, setting out planned actions to address its recommendations.²² It made the following key points.

- The subgroup welcomed the review's focus on effectiveness and impact.
- It noted that some of the challenges referenced in the review are widely recognised as being shared and system wide. It stated that it will look to avail of large-scale analysis, broad technical expertise and opportunities for peer learning.
- The subgroup stated that in addressing the recommendations of the review, it is important to take account of climate finance's eligibility as ODA and the overall preference for grants-based support.

²² [Management Response to the External Review of Ireland's International Climate Finance Roadmap](#), Department of Foreign Affairs and Trade, April 2026.

- It stated that the overarching development policy commitment to reaching those furthest behind first will continue to shape Ireland's climate finance, diplomacy and advocacy into the future.

Conclusions and recommendation

- 17.54** Ireland's annual climate financing to developing countries has steadily increased since it committed in November 2021 to providing at least €225 million annually by 2025. Ireland adopted a Climate Finance Roadmap in 2022 setting out a strategy to achieve its climate finance targets.
- 17.55** Due to a complex and time-consuming OECD-led verification process, the data underpinning calculation of the climate finance outturn for any particular year is not fully finalised until more than 12 months after the end of the year in question. In practice, this makes it difficult for authorities to ensure that a precise target level of annual climate finance spend is achieved.
- 17.56** In 2024, the latest year for which data is available, Ireland contributed climate finance of nearly €208 million to developing countries. The Department of Foreign Affairs and Trade projects that Ireland will have met the €225 million target for 2025 when the verification of figures is complete.

Allocation of climate finance

- 17.57** Four government Departments are involved in delivering Ireland's annual climate finance programme. Nearly 75% of the budget in 2024 was spent by the Department of Foreign Affairs and Trade. A climate finance subgroup of the existing Interdepartmental Committee on Development Cooperation has been established under the Climate Finance Roadmap to oversee, coordinate and ensure coherence of Ireland's international climate spend.
- 17.58** More than half of Irish climate finance is in the form of grants to multilateral development banks, UN funds and other international bodies. Such funding is a grant only at the point of disbursement by Ireland and could later be converted to loans by the funded organisations.
- 17.59** The Department of Foreign Affairs and Trade provides a combination of bilateral and multilateral climate finance. It selects projects to receive climate financing based on alignment with priorities in the whole-of-government Climate Finance Roadmap and compliance with any conditions set out in agreements with funding partners. None of the other climate finance spending Departments allocates funding directly to individual projects.

Climate finance results

- 17.60** The Department of Foreign Affairs and Trade publishes annual reports on Ireland's climate and environmental finance which include case studies that provide an indication of the impact of the selected projects. However, there are no metrics to quantify outcomes across the portfolio.
- 17.61** The Department has been proactive in commissioning a timely external evaluation of the Climate Finance Roadmap (in September 2025) and in publishing that report as well as the response of the Interdepartmental Committee on Development Cooperation subgroup (in April 2026).

- 17.62** The external review highlighted some limitations in the current arrangements for tracking the outcome and impact of climate finance. It noted that impact assessment remains a work in progress with a heavy reliance on case studies and a lack of formal mechanisms for monitoring the effectiveness of funded activities.

Recommendation 17.1

Since substantial climate-focused development funding is likely to continue in the future, the Department of Foreign Affairs and Trade should develop appropriate metrics to demonstrate the outcome(s) and impact(s) of Ireland's climate finance. Appropriate baselines or benchmark values should be identified for those metrics, and realistic targets should be set by reference to the allocated funding. The Department should include those metrics in its annual reports on climate and environmental finance.

Accounting Officer's response

Agreed.

Following a period of rapid scale-up in Ireland's climate finance and building on the outcomes of the recent review of the Climate Finance Roadmap, the development of metrics to monitor the impact and effectiveness of Ireland's climate finance will be conducted in the period 2026 to 2030. This timeframe coincides with the remaining period for both the Climate Finance Roadmap and Ireland's current policy for international development and the Department considers it appropriate, given the complexity of the work.²³

To ensure feasibility, the exercise will require close alignment with related efforts under Ireland's broader development cooperation programme; careful sequencing against internal procedures on results and data collection, and discussions on global metrics; and careful balancing of elements such as support to country-owned frameworks versus meaningful measurement at portfolio level.

Timeline for implementation

2026 to 2030.

Control regime

- 17.63** The Department of Foreign Affairs and Trade has a well-established standard procedure for grant management that is applied when allocating and monitoring climate finance. Control procedures include obtaining receipts for funds transferred. Additional controls apply for earmarked climate finance to ensure the climate-relevance of projects and that grant decisions are based on appropriate climate criteria.
- 17.64** Much climate finance provided by Ireland comprises grants to international organisations and funds which are pooled with contributions from other countries. Once such grants have been awarded, Ireland has only indirect control over how the funding is used by the recipient. Through representation on the governance structures for such organisations, and as part of funding agreements, donor Departments can influence the amount and effectiveness of climate-related lending to less developed countries and other target groups.

²³ [A Better World. Ireland's Policy for International Development](#), published February 2019.

Annex 17A Summary of actions under the Climate Finance Roadmap

Commitment	Progress	Comment
Themes and geographic focus		
Maintain and strengthen focus on the priority themes identified in the roadmap through ongoing and new funding relationships.		Ireland's focus on priority themes, adaptation, loss and damage, oceans, biodiversity, climate and security, innovation and entrepreneurship, and capacity has been strengthened through funding partnerships. Greater emphasis is needed to ensure that all themes are represented and clearly linked to climate action.
Finalise methodology and implement the process to climate-proof all of Ireland's ODA — lead a climate-proofing exercise across the Government starting in 2022.		The climate-proofing strategy is complete and the rollout across departments has commenced with an initial focus on the Department of Foreign Affairs and Trade and missions.
Channels		
Develop a methodology to determine increases in funding for each channel/theme set out in the roadmap up to 2025.		While overarching analyses can be made, an exercise has not been done for each channel/theme.
Design and establish new funding schemes for bilateral (first mover fund) and civil society organisation funding (climate window) and sensitise missions and partners to these schemes.		The first mover fund was completed in 2023 with approximately €4 million disbursed. Further allocations to missions in 2024 and 2025. The civil society organisation climate window was launched in 2023 and has been maintained in 2024 and 2025.
Risk assessment		
Ongoing risk assessment of expected funding increases relative to the proposed themes and channels and align risk appetite and management mechanisms appropriately.		While risk assessments are required for all projects as part of the standard approach to grant management, they have not been systematically applied to assess risks by themes and channels.
Climate diplomacy		
Ensure, through the development of common messaging, that government departments and mission networks are utilising consistent and coherent diplomacy with partner countries, implementing partners and others, to align climate diplomacy with the principles and themes defined in the roadmap.		Ireland's national climate delegation, led by the Department of Climate, Energy and the Environment, shapes international climate policy through active engagement in EU expert groups, annual UN conferences, and coordinated cross-departmental work on climate finance to align global action with domestic priorities. The Climate Unit in the Department of Foreign Affairs and Trade supports this by preparing detailed positions on key thematic areas, ensuring Ireland's international climate finance commitments and roadmap priorities are met.
Capacity building		
Review existing capacity of government departments, missions and key partners to deliver the increase in climate finance.		While each department monitors its ability to deliver increased climate finance, capacity remains uneven across Government, with high staff turnover and uneven expansion of staffing per unit and departments. The Climate Unit in the Department of Foreign Affairs and Trade provides technical assistance to overseas missions and civil society partners, with support from external partners, including the International Institute for Environment and Development.

Commitment	Progress	Comment
Develop and implement a plan of action to address areas where gap filling is needed.		Each department actively monitors its capacity to deliver on climate finance commitments. The ICDC subgroup has also undertaken assessments to identify capacity-building needs, with targeted training — such as on ODA. The trainings have remained <i>ad hoc</i> .
Reporting		
Incorporate output and outcome reporting, via case studies, into annual climate finance reports to complement quantitative reporting of expenditure and to enable impact reporting.		The annual climate finance report has regularly included one case study from missions; this increased to three case studies from different channels for the 2023 climate finance report. However, impact reporting could overall be increased, for example, per topic and channel.
Governance		
Initiate ICDC engagement on climate finance and develop terms of reference for the establishment of the climate finance subgroup in advance of the next scheduled meeting of the ICDC.		The ICDC subgroup on climate finance terms of reference has been established and the group meets regularly. However, not all members attend the meetings regularly.
Private sector engagement		
Undertake preparatory and scoping exercises to identify the most appropriate options for private sector engagement for climate action in the post-2025 period, in line with the principles, objectives and themes described in this roadmap.		The Department of Finance has made measurable progress in engaging the private sector for climate action through its work with the Green Climate Fund and multilateral development banks, etc. The Green Climate Fund has contributed \$6.4 billion to support 73 private sector projects, demonstrating a clear commitment to leveraging private finance for climate initiatives.
Monitoring, evaluation and learning		
Undertake an evaluation/review and lessons learned exercise of Ireland's climate finance — conduct a review of the Climate Finance Roadmap by 2025, which will be used to inform climate finance expenditure in the 2026 – 2030 period.		The Trinomics report presents the findings of the independent review of the Climate Finance Roadmap.
Explore the development of metrics to measure the contribution of Ireland's climate finance, its impact on climate-vulnerable people and the effectiveness of Irish climate diplomacy, and disseminate to stakeholders.		The development of metrics has not been completed. A review of mission strategies, qualitative case studies, civil society organisation partner statistics, and output data from multilateral channels (if possible) should be collected and published.
Explore the creation of a forum to enhance coordination and learning among relevant stakeholders to support the principles and themes of the roadmap.		The ICDC subgroup was created to enhance coordination and learning among different government departments, though not all departments join regularly. The Department of Foreign Affairs and Trade's Climate Unit leads a climate advisor network to enhance coordination and learning within the Department.
Communications		
Public engagement activities through existing government and partner awareness raising/communications mechanisms to build support for and understanding of Ireland's growing international climate finance.		Climate reports and strategies have been published. They share policies and (mostly) quantitative results of Ireland's climate finance performance. Further engagement may still be fostered, and work is ongoing.

Source: [Review of Ireland's International Climate Finance Roadmap](#), Trinomics, September 2025



Meeting commitment



Progressing to meet commitment



Not meeting commitment