

What Now for UK Climate Finance?

Background Note

This background note provides additional data and details on the notes and sources for the tables and figures in the blog on “What Now for UK Climate Finance?”

ICF3 period: GNI, ODA, Refugee Costs, and ICF (2021/22-2025/26)

	GNI (£bn)	ODA (£m)	ODA as %		ODA excl		ICF as %	ICF as % ODA
			GNI	IDRC (£m)	IDRC (£m)	ICF (£m)	ODA	excl IDRC
2021/22	2,364	11,820	0.50%	1,350	10,470	1,623	13.7%	15.5%
2022/23	2,599	13,994	0.54%	3,925	10,069	1,641	11.7%	16.3%
2023/24	2,728	15,142	0.55%	3,930	11,212	2,277	15.0%	20.3%
2024/25	2,832	14,159	0.50%	2,600	11,559	2,996	21.2%	25.9%
2025/26 *	2,937	14,185	0.48%	2,400	11,785	3,063	21.6%	26.0%
TOTAL	13,460	69,299	0.51%	14,205	55,094	11,600	16.7%	21.1%

Notes/Sources: * 2025/26 figures are projections. **GNI figures** are from Table 1.2 in the “[detailed forecast tables: economy](#)” published in the [OBR’s March 2025 report](#) (the most recently available at the time of the 2025 Spending Review, which fixed ODA levels for the period 2026/27-2028/29). **ODA figures** are assumed equal to 0.5% of GNI, but adjusted upwards in 2022/23 (by £1 billion) and 2023/24 (by £1.5bn) to reflect increases awarded in [November 2022](#) to cover part of the increased costs of hosting refugees (UK [ODA statistics](#) are published in calendar years so these financial year ODA figures are necessarily estimates, and will also vary with GNI forecasts available at the time). The 2025/26 ODA estimate incorporates the UK government’s plans to cut ODA to 0.3% of GNI by 2027 ([announced](#) in February 2025), and uses estimates of the financial year savings (£500m in 2025/26) published in the [2025 Spring Statement](#) (Table 2.1) to reflect the trajectory of cuts. **In-Donor Refugee Costs (IDRC)** for 2021/22-2022/23 are estimates based on Home Office figures for those fiscal years ([here](#) and [here](#)), plus estimates derived from calendar year figures for other government departments published [here](#) (Table S1). Figures for 2023/24-2025/26 are derived from this [ICAI report](#) (Fig.2): 2023/24 is three quarters of the 2023 and one quarter of the 2024 calendar year figure; 2024/25 is based on the £2.847 billion 2024 calendar year figure, but cut to reflect the downward trajectory in IDRC; 2025/26 is an estimate continuing that downward trend towards ICAI’s estimate of £2.2 billion in fiscal year 2026/27 (Box 4). **ICF figures** for 2021/22-2023/24 are from this written [response](#) to Parliamentary question (March 2025), for 2024/25 from [Carbon Brief’s analysis](#) (June 2025) of data provided through a Freedom of Information request, and 2025/26 is just the residual needed to meet the £11.6 billion target. **NB:** Total ODA would have been c.£94 billion if maintained at 0.7 percent of GNI, and IDRC would have been c.£3 billion if kept at the 2020 calendar year total of £628 million.

ICF4 period: Projected GNI, ODA Refugee Costs, and ICF (2026/27-2030/31)

	ODA as %		ODA excl		ICF as %	ICF as % ODA		
	GNI (£bn)	ODA (£m)	GNI	IDRC (£m)	IDRC (£m)	ICF (£m)	ODA	excl IDRC
2026/27	3,110	10,302	0.33%	2,200	8,102	2,000	19.4%	24.7%
2027/28	3,213	9,202	0.29%	1,800	7,402	2,000	21.7%	27.0%
2028/29	3,321	9,702	0.29%	1,500	8,202	2,000	20.6%	24.4%
2029/30	3,433	10,298	0.30%	1,500	8,798	1,500	14.6%	17.0%
2030/31	3,554	10,661	0.30%	1,500	9,161	1,500	14.1%	16.4%
TOTAL	16,630	50,165	0.30%	8,500	41,665	9,000	17.9%	21.6%

Notes/Sources: **GNI figures** are from Table 1.2 in the “[detailed forecast tables: economy](#)” published in the OBR’s most recent [November 2025](#) forecasts. **ODA figures** for 2026/27-2028/29 are those set out in the [2025 Spending Review \(Table 5.11\)](#) for DEL ODA, with £302m added each year for non-DEL ODA (this being the average of the three calendar years 2022-24, as reported in Table A3 of the [2024 Statistics on International Development](#)). [ODA/GNI ratios for these years don’t always match 0.3% because these are calculated using the later Nov’25 GNI figures, and (in 2027/28) because higher spend in 2026/27 (including the first quarter 2027) means that the 2027 0.3% target can be met with lower spend in 2027 Qs2-4]. ODA figures for 2029/30-2030/31 are set at 0.3% of Nov’25 GNI forecasts. **In-Donor Refugee Costs (IDRC)** for 2026/27-2028/29 are taken from this [ICAI report](#) (Box 4), with figures for 2029/30-2030/31 assumed to remain constant at 2028/29 levels.

UK, DAC and MDB Climate Finance Ratios (%), 2016-2024

	All bilateral ODA		Bilateral allocable ODA		MDB operations
	UK	DAC bilaterals	UK	DAC bilaterals	MDBs
2016	19.4	19.9	21.2	24.7	20.0
2017	20.8	19.7	22.8	24.1	25.0
2018	13.8	20.5	15.9	24.3	29.0
2019	19.9	22.8	22.3	26.9	31.0
2020	29.4	24.8	36.2	29.6	29.0
2021	31.6	22.5	34.0	26.4	34.0
2022	28.6	26.5	37.6	34.9	43.0
2023	20.4	25.6	34.1	36.9	45.0
2024	27.5	23.6	41.1	33.2	

Notes: Figures represent climate finance as a percent of total bilateral ODA or MDB operations. **UK and DAC data** are extracted from the [OECD’s Creditor Reporting System data explorer](#), and express all commitments with a Rio marker for climate mitigation and/or adaptation as a percentage of total commitments, both for all bilateral ODA as well as bilateral allocable ODA (a narrower measure of funds that are earmarked to specific countries and sectors and exclude inter alia contributions to unearmarked funds, general budget support and IDRC). **MDB figures** are from the annual Joint Reports on MDB Climate Finance (2023 report [here](#)) and represent total MDB climate finance commitments (including MDB-managed external resources) as a percentage of total MDB operations. For 2016-2018 these cover finance to developing and emerging economies only. From 2019 these cover finance to both Low/Middle and High Income Countries combined, although analysis of the more disaggregated data provided in the 2019 and 2020 reports suggests that climate finance ratios in L/MICs and HICs are very similar. Ratios are not reported in the latest [2024 MDB report](#), but MDB climate finance to L/MICs rose 14 percent in 2024.