

We expect that reading the full report might be helpful for:

Organizations or individuals seeking to understand the funding landscape for climate change philanthropy on a global scale

Context

In December 2021, Open Philanthropy commissioned Rethink Priorities to research the state of climate philanthropy — including the amount that has been committed, how it is allocated, and the identity of major funders — as well as a comparison with public and private climate funding.

Research process

Over three weeks, we conducted:

- A desk review and synthesis of the available (primarily gray) literature on historical and current climate philanthropy spending, including but not limited to publications from Matthew Nisbet (published in WIREs Climate Change), ClimateWorks, Climate Policy Initiative, Founders Pledge, and McKinsey & Company
- Three expert interviews, including interviews with representatives from the Environmental Defense Fund, Carbon Switch, and Founders Pledge

Based on this research, our final ~50-page report provides:

- A historic overview of the philanthropic climate change funding landscape
- An overview of current estimates (as of 2020-2021) of the breakdown of global climate change philanthropy by funding source and recipient geography, as well as expert projections of future growth
- A breakdown of public and private sector climate change spending
- A discussion of neglected areas within climate philanthropy and anecdotes of past successes

Final report and key takeaways

In 2020, climate philanthropy represented about 1% of total global philanthropic giving (\$6 billion to \$10 billion out of \$750 billion). Annual global public and private sector climate finance in 2019-2020 averaged \$632 billion. The Climate Policy Initiative estimates that the latter amount needs to increase almost 600% by 2030 to achieve the 1.5°C Paris Agreement target.

According to Founders Pledge, foundations are only responsible for 20%-40% of climate philanthropic spending, with individual donors representing the remaining 60%-80%. ClimateWorks is collecting data to understand individual donors' giving. However, the climate philanthropy landscape is rapidly changing — almost doubling in magnitude in 2021

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To request the full report, please fill out [this form](#)

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with commitments from the Bezos Earth Fund and the Global Alliance for People and the Planet — leading to a reallocation of funds regionally and sectorally.

Regionally speaking, according to the best guesses of Founders Pledge, climate philanthropy targeted toward American, European, or global causes will drop from 74% in 2020 to about 55% in 2021, while it expects Africa's and India's shares to increase from 4% to 14% and 4% to 11%, respectively. Clean electricity will dominate other sectors even more than it has historically (estimated 29%), with forests (15%), food and agriculture (10%), and public engagement (10%) also receiving significant funding. Having received a significant boost from recent philanthropic pledges, foundation contributions toward clean electricity and forests are expected to have quadrupled in 2021 relative to 2020. The vast majority of public and private sector climate finance is directed toward renewable energy — driven largely by private investors — followed by transport.

Relevant reports from [McKinsey](#) and [Founders Pledge](#) align on the opportunity and need for philanthropists to fund advocacy, market creation, and R&D for decarbonization technologies, and clean energy in the developing world. While McKinsey advocates strongly for low-carbon solutions, it does not mention conventionally controversial technologies such as carbon capture and storage, carbon removal, or nuclear energy, whereas Founders Pledge views such technologies as a critical philanthropic opportunity due to their neglectedness. Founders Pledge also puts significant emphasis on funding innovation in hard-to-decarbonize sectors such as industry and heavy-duty transportation.

McKinsey additionally encourages philanthropists to build awareness of climate risk and relevant behavior change, support investment in infrastructure and low-carbon tech markets and innovation, natural climate solutions, R&D and early-stage funding for scalable technologies, deploying and providing financing for renewable energy in the developing world, and supporting adaptation (e.g., through insurance, community relocation, infrastructure development, and reskilling programs). Founders Pledge suggests a need for some philanthropic spending to be nimble and responsive in order to take advantage of timely political or cultural opportunities or to fill funding gaps for innovative technologies or organizations.