

Scaling Up Climate Finance: Work Programme on Long Term Finance Wrap-Up Event 10–12 September 2013

Brief note¹

Plenary Session I: Pathways for mobilizing scaled-up climate finance

This session will take a look at key features and elements that underpin likely pathways for mobilizing scaled-up climate finance to USD 100 billion per year by 2020 from multiple sources based on the insight that emerged from the two meetings of experts.

- Barriers to longer-term planning for budgetary resources and country experiences and practices adopted to overcome them;
- Identifying the pathways for public, private and alternative sources at aggregate level for the period leading to 2020;
- Ways and means to achieve greater transparency, including through enhanced clarity on the sets of definitions of climate finance.

Facilitated break-out group discussions

Questions

- *What are the relevant aspects/parameters for identifying likely pathways for international climate finance?*
- *What are the main challenges in defining and developing pathways for public, private and alternative sources?*
- *What challenges are specific to adaptation finance that could be taken into consideration when defining and developing pathways from multiple sources of finance?*
- *What are the roles of public and private sources for mitigation and adaptation finance to developing countries respectively?*
- *What are the likely scenarios and mixes of climate finance for the period 2013-2020 and what are the pros and cons of these scenarios/mixes in terms of criteria such as predictability, adequacy, additionality, sound budgetary principles, and political feasibility?*

Plenary Session II: Enabling environments and policy frameworks for effective deployment of climate finance

This session will examine and identify conditions and factors that determine effective deployment of climate finance in developing countries based on insight that emerged from the two meetings of experts on long-term. The presentations and discussions will focus on.

¹ The purpose of this brief note is to facilitate discussions under each session and should be read in conjunction with the provisional programme.

- Factors that underpin effective deployment of climate finance at country and programme/project levels, including emerging approaches for measuring effectiveness of deployed climate finance;
- Efforts to enhance absorptive capacity in developing countries;
- Transparency of climate finance information.

Facilitated break-out group discussions

Questions

- *What are the types of policies and financial instruments that attract climate finance, from public and private sources of finance, domestically and internationally and how is it being done in developing countries?*
- *What is the suite of policy tools being used by developed countries to mobilise private sector investments? What are the pro and cons of these different instruments based on developed and developing country experiences?*
- *What enabling environments are needed in developed countries to mobilize climate finance more broadly from all sources of finance?*
- *What are the barriers to mobilising private sector investments in developed countries for climate change mitigation and adaptation activities respectively in developing countries?*
- *What policy measures can be introduced in developed and developing countries respectively to reduce these barriers?*
- *What is the scope for public financing in the short to medium term?*

Plenary Session III: Enabling environments and policy frameworks for mobilising scaled-up finance

This session will identify supportive public policies, regulatory measures and financial instruments that facilitate scaled-up mobilization of climate finance from multiple sources based on insight that emerged from the work undertaken in 2012 and the two meetings of experts on long-term finance.

- Enabling environments and conducive policies required to unlock climate finance from international and domestic sources, public and private, multilateral and bilateral, to support low-carbon and climate-resilient activities in developing countries;
- Specific policy measures required to bring down barriers to private sector finance and investments in low-carbon and climate-resilient programmes and projects in developing countries;
- The roles of public and private finance actors and development finance institutions in achieving scaled-up climate finance.

Facilitated break-out group discussions

Questions

<ul style="list-style-type: none"> • What are the commonly agreed prerequisites/enablers to deploy climate finance effectively? • What are the relevant lessons to be drawn from internationally agreed principles for aid effectiveness ? 	
Absorptive capacity	Emerging approaches for measuring effectiveness of deployed climate finance
<ul style="list-style-type: none"> • <i>What international and domestic actions are being taken in developing countries to improve precision of climate change mitigation and adaptation needs assessments?</i> • <i>What actions are taken to strengthen institutions and climate finance governance issues?</i> • <i>What are the AF and GEF experiences with direct access modalities telling us with respect to effectiveness of deployment climate finance?</i> 	<ul style="list-style-type: none"> • <i>What approaches are emerging for tracking mobilized climate finance from public and private sources?</i> • <i>What approaches are emerging for measuring effectiveness of deployed climate finance?</i> • <i>How could MDBs, NDBs/ emerging national climate funds help foster greater effectiveness of deployed climate finance, including cost-effectiveness?</i>
Effectiveness of climate finance at country level	Effectiveness of climate finance at programme/project level
<ul style="list-style-type: none"> • <i>Based on the early insight from the FSF period what are the factors that determine effectiveness of the climate finance for meaningful mitigation actions and resilience to adaptation?</i> • <i>How are climate actions supported by FSF supporting development and implementation of low-carbon development strategies/national climate change action plans in developing countries?</i> • <i>Are climate action supported by FSF aligned with the broader development goals of developing countries?</i> 	<ul style="list-style-type: none"> • <i>How is the effectiveness of climate finance being measured in mitigation activities in terms of (i) cost-effectiveness (i.e. money spent), (ii) GHG emissions reduction in sectors such as in RE, EE, REDD+ , etc.?</i> • <i>How is the effectiveness of adaptation finance measured (e.g. areas and interventions identified and prioritized in NAPs/NAPAs which have benefited from adaptation finance, etc.?)</i>