United Nations Framework Convention on Climate Change

Adaptation-relevant work of the Standing Committee on Finance (SCF)

Sixth meeting of the Adaptation Committee
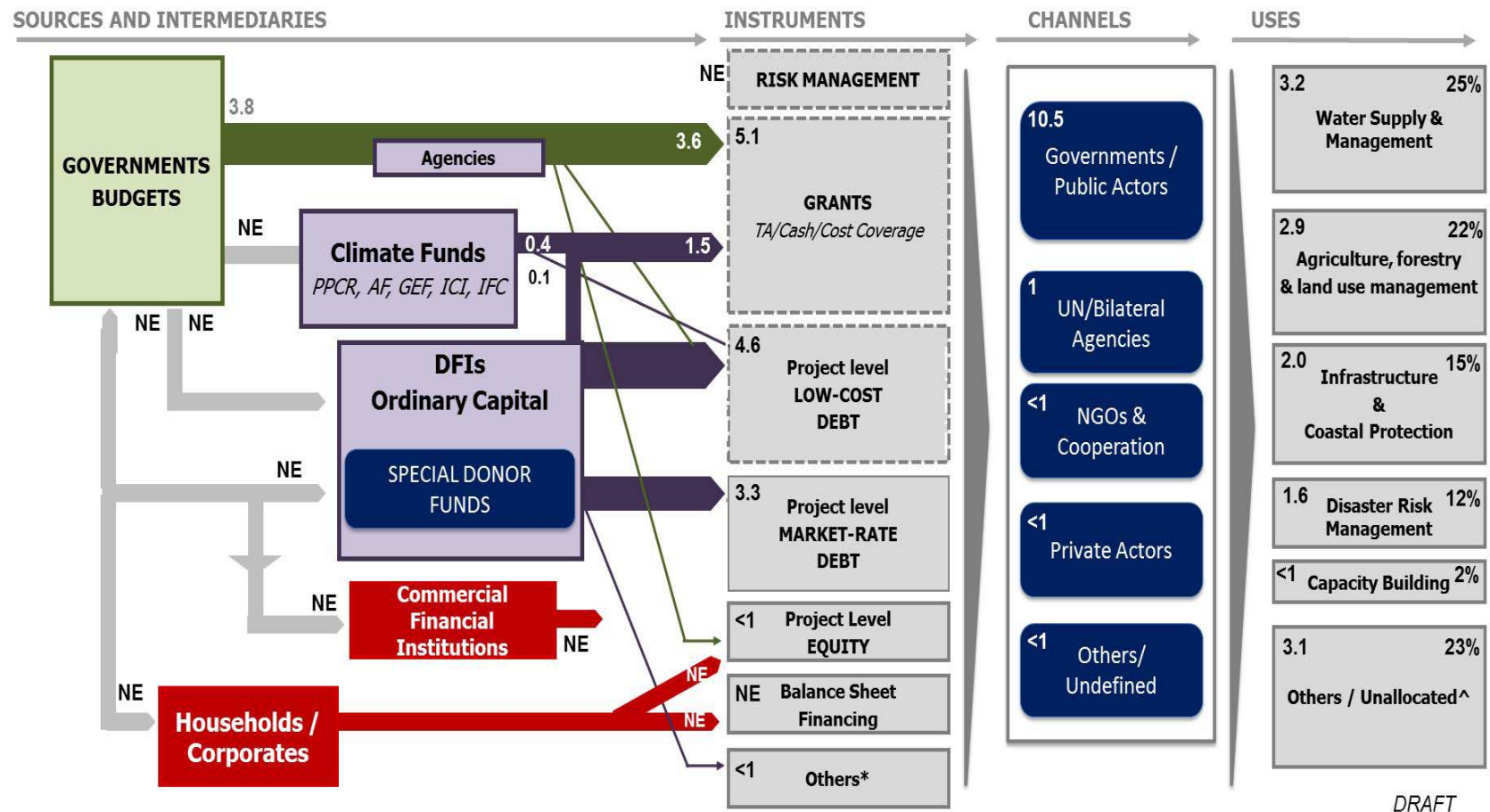
29 September - 1 October 2014, Bonn

Mr. Kyekyeku Yaw Oppong Boadi on behalf of the SCF

The 2014 Forum

- **Theme: "**Mobilizing adaptation finance"

- **Objective:** Promoting the mobilization of adaptation finance through the sharing of experiences, best practices and innovative ideas.

- **Format:** Mixture of panel discussions, presentations and interactive break-out groups, 44 case studies discussed.

- Day 1 focused on national-level finance options, Day 2 focused on sectors.

The Landscape of Adaptation Finance in 2011/2012 (USD Billion). Source: Climate Policy Initiative (CPI)

SOURCES AND INTERMEDIARIES → **INSTRUMENTS** → **CHANNELS** → **USES**

SOURCES AND INTERMEDIARIES

- **GOVERNMENTS BUDGETS** — 3.8 / 3.6
- Agencies
- NE
- **Climate Funds** PPCR, AF, GEF, ICI, IFC — 0.4 / 0.1 / 1.5
- **DFIs Ordinary Capital**
- **SPECIAL DONOR FUNDS**
- **Commercial Financial Institutions** — NE
- **Households / Corporates** — NE
- NE (multiple)

INSTRUMENTS

- NE **RISK MANAGEMENT**
- 5.1 **GRANTS** *TA/Cash/Cost Coverage*
- 4.6 **Project level LOW-COST DEBT**
- 3.3 **Project level MARKET-RATE DEBT**
- <1 **Project Level EQUITY**
- NE **Balance Sheet Financing**
- <1 **Others***

CHANNELS

- 10.5 Governments / Public Actors
- 1 UN/Bilateral Agencies
- <1 NGOs & Cooperation
- <1 Private Actors
- <1 Others/ Undefined

USES

- 3.2 — 25% **Water Supply & Management**
- 2.9 — 22% **Agriculture, forestry & land use management**
- 2.0 — 15% **Infrastructure & Coastal Protection**
- 1.6 — 12% **Disaster Risk Management**
- <1 **Capacity Building** — 2%
- 3.1 — 23% **Others / Unallocated^**

DRAFT

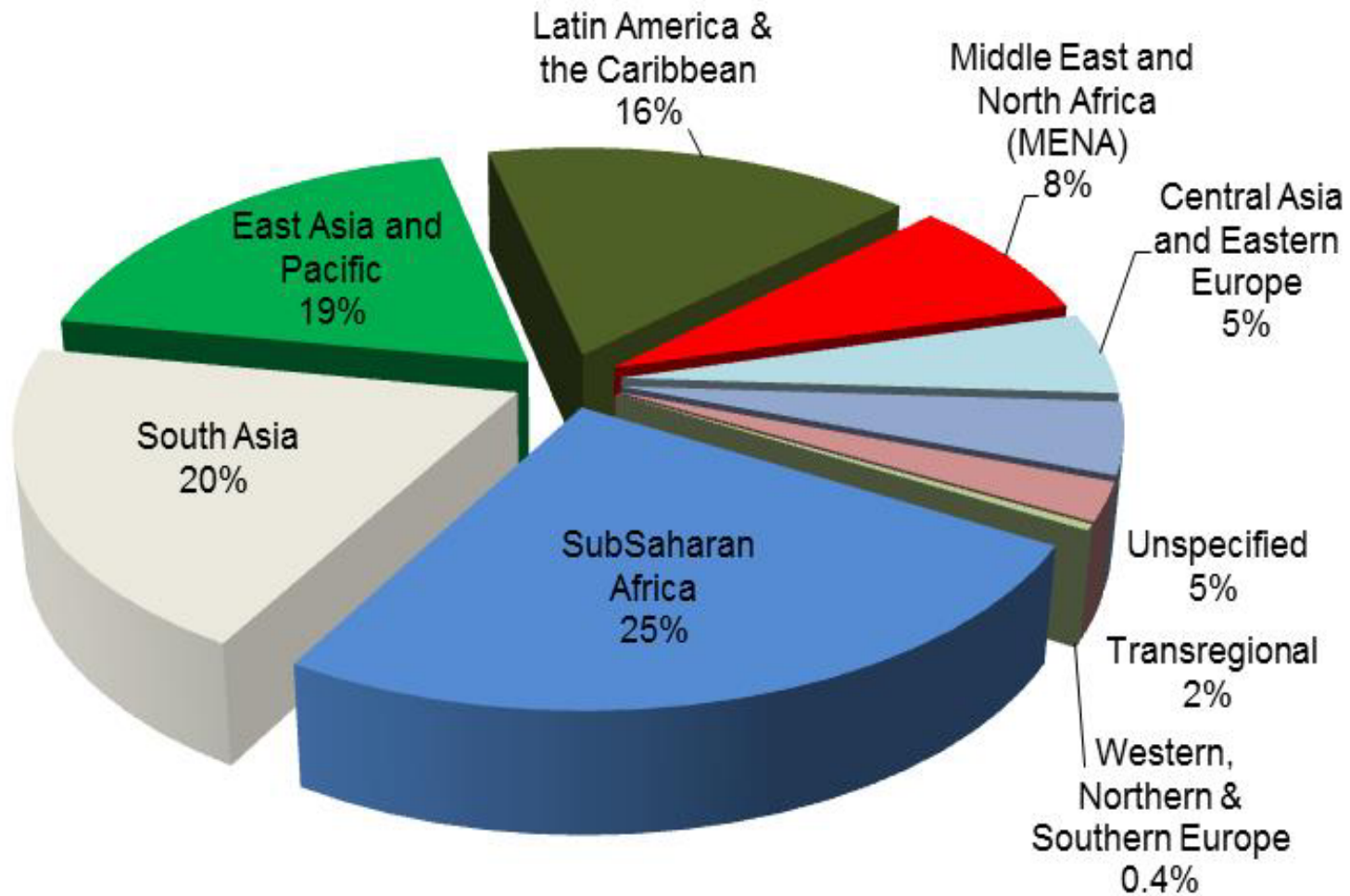Notes: Values presented in the graph may not match because of data availability issues.

Instruments: (*) The category "other instruments" includes flows that could not be associated to other instruments.

Project-level equity refers to equity reported as ODA in (OECD, 2013); Risk management instruments are not counted against total commitments.

Uses: (**) The category "other/unallocated" adaptation includes e.g. activities such as prevention of groundwater salinity through improved waste water infrastructures and waste management or health-related products. Not estimated arrows have a default width.

Where adaptation finance is being channeled. Source: Climate Policy Initiative (CPI)

Update on SCF work

- Next SCF meeting 1 to 3 October 2014;
- The SCF will particularly work on the:

  a) Report on the first biennial assessment and overview of climate finance flows, including recommendations to the COP;

  b) Technical paper on the fifth review of the Financial Mechanism;

  c) Expert input to be provided to the fifth review;

  d) Report on the 2014 Forum; and

  e) Draft guidance to be provided to the operating entities of the Financial Mechanism, under special consideration of the GEF, based on their annual reports.

Thank you!

http://unfccc.int/8138.php