

Methodologies for Reporting Financial Information on Climate Change

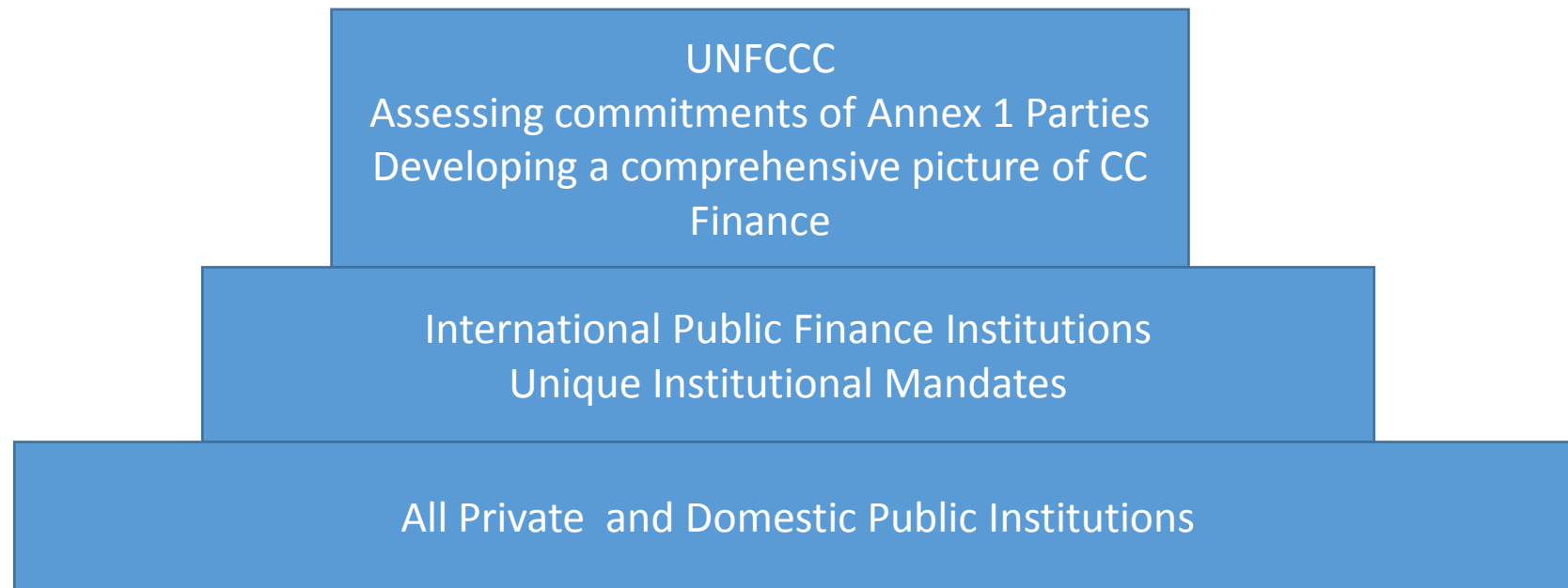
“Near-term Possibilities”

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Background

- With the exception of the OECD-DAC and the BNEF, all the institutions identified in the BA have only reported climate finance data for a few years.
- Improvements in methodologies for the BA will require many steps over a number of years and require the cooperation of all data producers and aggregators.
- To form a comprehensive picture of climate finance, information on both finance provided by developed countries and finance received by developing countries is needed

Methodology Hierarchy



Examples of UNFCCC Data Issues (Limitations in the CTF and its Application)

- Limitations in Sectors and their interpretation
- Differences in reporting for BRs and NCs
- Open end categories ('other and core')
- Reporting of multilateral contributions
- Use of different currencies
- Use of different reporting periods
- Use of different categories for reporting on the status of funds

Examples of Data Issues relating to the Biennial Assessment

- Different definitions are used by different sources
- Private sector data is limited
- Domestic finance information exists for only a few countries
- Data on Adaptation is just beginning to emerge
- Quality of data varies considerably (Few sources conduct reviews)

Methodological Priorities for Paris (SCF/SBSTA)

- Focus on improving the quality of reporting to the UNFCCC by Annex I Parties – modifying the CTF and its application
 - Clarifications associated with the application of the CTF (Instructions)
 - Modifications to the CTF (e.g., sector coverage, MDB contributions)
- Do nothing for now relating to reporting of adaptation, energy efficiency, private sector investments, investments between emerging economies – BUT monitor the efforts of IPFIs to harmonize reporting
- Develop a simple verification format for cataloging support received/reported by non-Annex I Parties:
 - Amount received, supporting country, recipient institution, purpose (mitigation/adaptation) and instrument (grant, loan, guarantee)

Stimulate the Business Community – Build a base of methodological experiences for gathering information in the long-term (Also for Paris)

- Invite the private sector to provide information on investments that reduce GHG emissions or build resilience and enhance adaptation to climate change.