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TRAINING MATERIAL FOR THE PREPARATION OF
BIENNIAL UPDATE REPORTS FROM NON-ANNEX
I PARTIES: FINANCE, TECHNOLOGY AND
CAPACITY-BUILDING NEEDS AND SUPPORT
RECEIVED

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ABBREVIATIONS

BURs	biennial update reports
Annex I Parties	Parties included in Annex I to the Convention
BUR	biennial update report
CGE	Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention
COP	Conference of the Parties
GCF	Green Climate Fund
GEF	Global Environment Facility
LDCs	least developed countries
LDCF	Least Developed Countries Fund
Non-Annex I Parties	Parties not included in Annex I to the Convention
SCCF	Special Climate Change Fund
TNA	technology needs assessment

1. INTRODUCTION AND BACKGROUND

The objective of this document is to provide a non-prescriptive, voluntary technical guidance to prepare and report information on financial, technical and capacity-building needs and support received for activities relating to climate change in biennial update reports (BURs) based on the “UNFCCC biennial update reporting guidelines for Parties not included in Annex I to the Convention” contained in decision 2/CP.17, annex III, paragraphs 14–16. This document is adapted from the training programme of the Consultative Group of Experts for the team of technical experts for the technical analysis of BURs under the international consultation and analysis (ICA) process.

The following sections provide context within the United Nations Framework Convention on Climate Change (UNFCCC), as well as a general overview of the information expected to be reported within the BURs by non-Annex I Parties

1.1. THE UNFCCC CONTEXT

The Conference of the Parties (COP), at its sixteenth session, held in Cancun in 2010, decided that developing countries, consistent with their capabilities and the level of support provided for reporting, should submit biennial update reports (BURs) containing updates of national greenhouse gas inventories, including a national inventory report and information on mitigation actions, needs and support received. COP 17, held in Durban in 2011, adopted the “UNFCCC biennial update reporting guidelines for Parties not included in Annex I to the Convention” which became the basis for preparing and reporting information in the BURs. In adopting the BUR guidelines, the COP decided that non-Annex I Parties shall submit its BUR every two years, either as a summary of parts of the national communication in the year when the national communication is submitted or as a stand-alone update report. As per the BUR guidelines, non-Annex I Parties should report information on, among other things: constraints and gaps, and related financial, technical and capacity-building needs; nationally determined technology needs; and financial resources, technology-transfer, capacity-building and technical support received.

1.2. UNDERSTANDING THE NATURE OF CLIMATE FINANCE, CAPACITY-BUILDING, AND TECHNOLOGY DEVELOPMENT AND TRANSFER

This section introduces some important information about the key elements of the support framework under the UNFCCC.

1.2.1. CLIMATE FINANCE

In addition to providing guidance to the Global Environment Facility (GEF), Parties have established four special funds: the Special Climate Change Fund (SCCF), the Least Developed Countries Fund (LDCF), both managed by the GEF, the Green

Climate Fund (GCF) under the Convention; and the Adaptation Fund under the Kyoto Protocol.¹

Parties not included in Annex I to the Convention (non-Annex I) may report on funding for climate change activities received via the financial mechanism under the Convention described above as well as those made available through **bilateral, regional and multilateral channels**.

1.2.2. CAPACITY-BUILDING

Although there is no 'one size fits all' formula for **capacity-building**, it must always be **country-driven**, addressing the specific needs and conditions of countries and reflecting their sustainable development strategies, priorities and initiatives.²

In 2001, the COP adopted two frameworks that address the needs, conditions and priorities of developing countries and countries with economies in transition. The frameworks are enshrined in decisions 2/CP.7 and 3/CP.7. The frameworks provide a set of guiding principles and approaches to capacity-building, for example, that it should be a country-driven process, involve learning by doing and build on existing activities. They also contain a list of priority areas for action on capacity-building, including the specific needs of LDCs and SIDS.

In the UNFCCC process, capacity-building is about enhancing the ability of individuals, organizations and institutions in developing countries and in countries with economies in transition to identify, plan and implement ways to mitigate and adapt to climate change.

Capacity-building under the Convention and its Kyoto Protocol takes place on three levels:

Individual level: developing educational, training and awareness raising activities;

Institutional level: fostering cooperation between organizations and sectors, as well as the development of organizations and institutions, including their missions, mandates, cultures, structures, competencies and human and financial resources;

Systemic level: creating enabling environments through economic and regulatory policies and the accountability frameworks in which institutions and individuals operate.

1.2.3. TECHNOLOGY DEVELOPMENT AND TRANSFER

Under the Convention, the developed country Parties and other developed Parties included in Annex II shall take all practicable steps to promote, facilitate and finance, as appropriate, the transfer of, or access to, environmentally sound technologies and know-how to other Parties, particularly to developing countries to enable them to implement the provisions of the Convention (Article 4.5). This commitment is echoed in similar provisions under the Kyoto Protocol (Article 10(c)). Parties have taken

¹ http://unfccc.int/cooperation_and_support/financial_mechanism/items/2807.php.

² http://unfccc.int/cooperation_and_support/capacity_building/items/7061.php.

decisions to promote the development and transfer of environmentally sound technologies at each session of the COP.³

Under the Technology Mechanism, the purpose of **technology needs assessment** (TNA), which is an optional exercise, is to assist in identifying and analysing priority technology needs, which can be the basis for a portfolio of environmentally sustainable technology (EST) projects and programmes.

³ <http://unfccc.int/technology/items/2681txt.php>.

2. BASIS FOR REPORTING ON FINANCE, TECHNOLOGY AND CAPACITY-BUILDING NEEDS AND SUPPORT RECEIVED

This chapter highlights the relevant paragraphs of decision 2/CP.17, that form the basis for reporting information on constraints and gaps, and related financial, technology and capacity-building needs and support received.

[Decision 2/CP.17, paragraph 41]

.....

41. *Decides:*

(a) That non-Annex I Parties, consistent with their capabilities and the level of support provided for reporting, should submit their first biennial update report by December 2014; the least developed country Parties and small island developing States may submit biennial update reports at their discretion;

(b) That in using the Guidelines, non-Annex I Parties should take into account their development priorities, objectives, capacities and national circumstances;

.....

Annex III of the Decision 2/CP17 contains the BUR guidelines which contains different sections, pertaining to the different types of information expected within the reporting:

Extract from annex III to decision 2/CP.17 relevant for finance, technology and capacity-building needs and support received

...

14. Non-Annex I Parties should provide updated information on constraints and gaps, and related financial, technical and capacity-building needs.

15. Non-Annex I Parties should also provide updated information on financial resources, technology transfer, capacity-building and technical support received from the Global Environment Facility, Parties included in Annex II to the Convention and other developed country Parties, the Green Climate Fund and multilateral institutions for activities relating to climate change, including for the preparation of the current biennial update report.

16. With regard to the development and transfer of technology, non-Annex I Parties should provide information on technology needs, which must be nationally determined, and on technology support received.

...

The subsequent sections explain each of these provisions in greater detail with technical guidance and examples prepared by the CGE.

3. REPORTING INFORMATION ON FINANCE, TECHNOLOGY AND CAPACITY-BUILDING NEEDS AND SUPPORT RECEIVED

This chapter provides guidance on each of the key elements to consider when reporting information on constraints and gaps, and related financial, technology and capacity-building needs and support received in the BUR. The examples provided are illustrative of different ways Parties have reported information and not indicative of best practice. It is for Parties themselves to decide on the extent and nature of information reported in accordance with their national circumstances. Submitted BURs are a useful source of information to learn how other Parties have reported on the same.

3.1. COMPLETENESS OF THE REPORTED INFORMATION

The BUR guidelines request or encourage specific information to be reported. Decision 2/CP.17, paragraph 41, and paragraphs 14–16 of the BUR Guidelines contained in the annex to decision 2/CP.17, define the basis for preparation and reporting in the BURs of information on finance, technology and capacity-building needs and support received. These requirements fall into the “should” category (Table 1).

Table 1
Checklist for information to be reported.

<i>Decision</i>	<i>Reporting requirements</i>	<i>Yes/ Partly/No/NA</i>	<i>Comments on the extent of the information provided</i>
Decision 2/CP.17, annex III, paragraph 14	Non-Annex I Parties should provide updated information on constraints and gaps, and related financial, technical and capacity-building needs: <ul style="list-style-type: none"> • Constraints and gaps • Related financial, technical and capacity-building needs 		
Decision 2/CP.17, annex III, paragraph 15	Non-Annex I Parties should also provide updated information on financial resources, technology transfer, capacity-building and technical support received from the GEF, Annex II Parties and other developed country Parties, the GCF and multilateral institutions for activities relating to climate change, including for the preparation of the current BUR		
Decision 2/CP.17, annex III, paragraph 16	With regard to the development and transfer of technology, non-Annex I Parties should provide information on technology needs, which must be nationally determined, and technology support received: <ul style="list-style-type: none"> • Technology needs, which must be nationally determined 		

<i>Decision</i>	<i>Reporting requirements</i>	<i>Yes/ Partly/No/NA</i>	<i>Comments on the extent of the information provided</i>
	<ul style="list-style-type: none"> • Technology support received 		

If all of the elements in Table 1 are answered with “yes”, the information provided is deemed to be complete. Depending on the availability and nature of the information, it could be provided in either or both quantitative and qualitative form. Furthermore, various tools such as tables, and graphs could help in reporting large volumes of essential information in a concise manner. It is also important to note the fact that the information to be reported do not fall under strict requirements (“should”).

3.2. DESCRIPTION OF THE CONSTRAINTS AND GAPS, AND SUPPORT NEEDED AND RECEIVED

3.2.1. CONSTRAINTS AND GAPS

Decision 2/CP.17, annex III, paragraph 14 requires non-Annex I Parties to report on:

- a) Financial constraints and gaps;
- b) Technical constraints and gaps;
- c) Capacity-building constraints and gaps.

When preparing information, the following relevant paragraphs of annex III to decision 2/CP.17 must also be considered:

[Decision 2/CP.17, Annex III, paragraph 2]

...

2. The scope of biennial update reports is to provide an update to the most recently submitted national communication in the following areas:

...

(d) Constraints and gaps, and related financial, technical and capacity needs, including a description of support needed and received;

....

[Decision 2/CP.17, Annex III, paragraph 14]

14. Non-Annex I Parties should provide updated information on constraints and gaps, and related financial, technical and capacity-building needs.

Additionally, consider the guidance provided by the CGE in Box 1 below.

CGE training materials on constraints and gaps

1. IDENTIFY THE CONSTRAINTS AND GAPS

This section provides direction on the type of information that could be considered in identifying constraints and gaps. Please note that the sub-sections below are not exhaustive.

1.1. GUIDING ELEMENTS FOR DOCUMENTING FINANCIAL CONSTRAINTS AND GAPS

- a) Difficulties encountered in accessing and mobilizing financial resources (e.g. understanding financial reporting requirements by different donors and the level of usage of national systems in reporting by donors);
- b) Collection and collation of information on financial resources available to implement activities, including measures and programmes that have multiple uses or climate change co-benefits;
- c) The level of transparency related to climate change finance, including non-financial transfers for training and technical assistance;
- d) Technical constraints on how to collect, collate and store data on climate change finance;
- e) Institutional challenges relating to the coordination of climate change finance.
- f) Challenges in accessing or mobilizing financial support such as creating a domestic enabling environment; addressing human resource constraints; establishing fiduciary requirements, financial management systems and standards.

1.2. GUIDING ELEMENTS FOR DOCUMENTING TECHNICAL CONSTRAINTS AND GAPS

- a) Difficulties encountered in accessing and mobilizing technical assistance;
- b) Constraints related to collection, collation, classification, documentation and archiving of information on technical assistance available to implement activities, measures and programmes that have multiple uses or climate change co-benefits:
 - i. Information on technical assistance available in a disaggregated manner;
 - ii. Institutional challenges relating to the coordination of technical support.

1.3. GUIDING ELEMENTS FOR DOCUMENTING CAPACITY-BUILDING CONSTRAINTS AND GAPS

- a) Difficulties encountered in accessing and mobilizing capacity-building support related to:
 - i. Availability of demand-driven capacity-building;
 - ii. Scope and depth of the training.
- b) Constraints related to collection, collation, classification, documentation and archiving of information on capacity-building support available to implement

activities, measures and programmes that have multiple uses or climate change co-benefits:

- i. Information on capacity-building support available in a disaggregated manner;
- ii. Institutional challenges relating to the coordination of capacity-building support;
- c) Challenges in capacity enhancement and retention.

2. ADDITIONAL STEPS TO BE CONSIDERED

2.1. CAPACITY-BUILDING

- a) Scope the current cross-cutting capacity-building activities;
- b) Make an inventory of the efforts made to implement, coordinate and sustain capacity-building activities related to climate change;
- c) Describe how capacity-building activities are implemented across all levels.

2.2. NORTH–SOUTH AND SOUTH–SOUTH COOPERATION

- a) Describe the status of activities and level of participation in, and promotion of, North–South and South–South cooperation;
- b) Make an inventory list of bottlenecks for North–South and South–South cooperation as well as the gaps and challenges;
- c) List country-specific needs and conditions that would require further sharing of knowledge, and information on technical and capacity-building activities facilitated by developed countries for better coordination and North–South and South–South cooperation;
- d) List country-specific needs and conditions required for North–South and/or South–South cooperation to promote implementation of climate change activities.

Also, take into consideration the UNFCCC Handbook on Measurement, Reporting and Verification, especially the chapter “Constraints and gaps, and related financial, technical and capacity-building needs, including a description of support needed and received”.⁴

3.2.2. SUPPORT NEEDED

Decision 2/CP.17, annex III, paragraph 14 requires non-Annex I Parties to report on:

- a) Technical support needs;
- b) Capacity-building support needs;
- c) Financial support needs.

⁴ https://unfccc.int/files/national_reports/annex_i_natcom/_application/pdf/non-annex_i_mrv_handbook.pdf.

While reporting on the information on technical, capacity-building and financial needs identified by the Party, consider the paragraphs of Annex III to decision 2/CP.17 listed below.

In relation to the objectives of the guidelines:

[Decision 2/CP.17, Annex III, paragraph 1]

1. The objectives of the guidelines for the preparation of the biennial update reports from Parties not included in Annex I to the Convention (non-Annex I Parties) are as follows:

.....

(c) To enable enhanced reporting by non-Annex I Parties on mitigation actions and their effects, needs and support received, in accordance with their national circumstances, capacities and respective capabilities, and the availability of support;

(d) To provide policy guidance to an operating entity of the financial mechanism for the timely provision of financial support needed by developing country Parties in order to meet the agreed full costs of preparing their biennial update reports;

(e) To facilitate the presentation of information on finance, technology and capacity-building support needed and received, including for the preparation of biennial update reports;

In relation to the scope:

[Decision 2/CP.17, Annex III, paragraph 2]

...

2. The scope of biennial update reports is to provide an update to the most recently submitted national communication in the following areas:

...

(d) Constraints and gaps, and related financial, technical and capacity needs, including a description of support needed and received;

...

In relation to the information to be provided:

[Decision 2/CP.17, Annex III, paragraph 14]

14. Non-Annex I Parties should provide updated information on constraints and gaps, and related financial, technical and capacity-building needs.

In relation to the information to the development and transfer of technology:

[Decision 2/CP.17, Annex III, paragraph 16]

...

16. With regard to the development and transfer of technology, non-Annex I Parties should provide information on technology needs, which must be nationally determined, and on technology support received.

...

Additionally, consider the guidance provided by the CGE in Box 2 and the tables in this section.

Box 2

CGE training materials on identification of needs

This section deals with information on constraints and gaps, and related financial, technical and capacity-building needs (decision 2/CP.17, annex III, paragraph 14) and applies to both the preparation and the submission of BURs, and implementation of climate change activities contained therein:

- a) Identify the needs:
 - i. i. Make an inventory of financial and technical resources and capacity required;
 - ii. ii. Make an inventory of existing financial and technical resources and available capacity;
 - iii. iii. Compare (a) and (b) to identify additional support needs;
- b) Describe the constraints and gaps.

The needs for the preparation and submission of a BUR will depend on a Party's circumstances. Guidance on how to identify these needs is presented in the tables 2–4 below. It should be noted that the tables are simply an illustration of needs and are flexible – there is room to adjust them to serve specific requirements. The tables can contain both numerical information and descriptive text.

Due to the flexible nature and different information that can be entered in the tables it is important to include the reporting period and to check for double accounting.

As a rule of thumb, a Party can start with the identification of its technical needs and end with its financial needs.

Table 2

Technical support needs

<i>Status (ongoing/ planned/completed)</i>	<i>Overall support needed (a)</i>	<i>Support received (b)</i>	<i>Additional support needed (c)</i>
------------------------------------------------	---------------------------------------	---------------------------------	------------------------------------------

Activity 1

	<i>Status (ongoing/ planned/completed)</i>	<i>Overall support needed (a)</i>	<i>Support received (b)</i>	<i>Additional support needed (c)</i>
Activity 2				
Activity 3				
Activity n				

**Table 3
Capacity-building support needs**

	<i>Status (ongoing/ planned/completed)</i>	<i>Overall support needed (a)</i>	<i>Support received (b)</i>	<i>Additional support needed (c)</i>
Activity 1				
Activity 2				
Activity 3				
Activity n				

**Table 4
Financial support needs**

	<i>Status (ongoing/ planned/completed)</i>	<i>Overall support needed (a)</i>	<i>Support received (b)</i>	<i>Additional support needed (c)</i>
Activity 1				
Activity 2				
Activity 3				
Activity n				

Also, take into consideration the UNFCCC Handbook on Measurement, Reporting and Verification the chapter “Constraints and gaps, and related financial, technical and capacity-building needs, including a description of support needed and received”.⁵

⁵ https://unfccc.int/files/national_reports/annex_i_natcom_/application/pdf/non-annex_i_mrv_handbook.pdf.

Useful questions when preparing and reporting the information on constraints, gaps and needs:⁶

- Does the description include the process for identification of constraints, gaps and needs, including any stakeholder engagement?
- Are constraints, gaps and needs clearly related to national circumstances and national development priorities (as eventually reported in the relevant chapters of the national communication)?
- Do the identified constraints, gaps and needs include those relating to the implementation of climate change activities as well as for fulfilling the reporting requirements? If so, is there clear distinction?
- Do the identified constraints, gaps and needs specifically include those related to human resources?
- Is there a clear relationship between the identified constraints, gaps and needs and the country's ambition to mitigate and its capacity to adapt to climate change?
- If there any reference to those constraints, gaps and needs reported in previous national communications and does it provide a status update of such constraints, gaps and needs?
- Does the description include the methods to estimate any quantitative or qualitative needs reported?
- Does the description include definition used for climate (support and financing) needs?
- Are different financing support needs (e.g. grants, concessional lends, private sector investment) clearly distinguished?
- Does the description include any challenges and opportunities in the process of facilitating access to funds from donors or related to preparing a proposal to be presented to the donor?

⁶ These questions are merely illustrative. By no means are Parties specifically requested to submit information to answer each of these.

3.2.3. SUPPORT RECEIVED

Decision 2/CP.17, annex III, paragraph 15, requires non-Annex I Parties to report on:

- a) Financial support received;
- b) Technical support received;
- c) Capacity-building support received;
- d) Transfer of technology, for the implementation of climate change activities.

While reporting information on support received to implement actions and activities relating to climate change, the relevant paragraphs of **Annex III to decision 2/CP.17**, listed below must be considered.

In relation to the objectives of the guidelines:

[Decision 2/CP.17, Annex III, paragraph 1]

1. The objectives of the guidelines for the preparation of the biennial update reports from Parties not included in Annex I to the Convention (non-Annex I Parties) are as follows:

.....

(c) To enable enhanced reporting by non-Annex I Parties on mitigation actions and their effects, needs and support received, in accordance with their national circumstances, capacities and respective capabilities, and the availability of support;

(d) To provide policy guidance to an operating entity of the financial mechanism for the timely provision of financial support needed by developing country Parties in order to meet the agreed full costs of preparing their biennial update reports;

(e) To facilitate the presentation of information on finance, technology and capacity-building support needed and received, including for the preparation of biennial update reports;

.....

In relation to the scope:

[Decision 2/CP.17, Annex III, paragraph 2]

...

2. The scope of biennial update reports is to provide an update to the most recently submitted national communication in the following areas:

...

(d) Constraints and gaps, and related financial, technical and capacity needs, including a description of support needed and received;

.....

In relation to the information to be provided:

[Decision 2/CP.17, Annex III, paragraph 15]

...

15. Non-Annex I Parties should also provide updated information on financial resources, technology transfer, capacity-building and technical support received from the Global Environment Facility, Parties included in Annex II to the Convention and other developed country Parties, the Green Climate Fund and multilateral institutions for activities relating to climate change, including for the preparation of the current biennial update report.

....

In relation to the information to the development and transfer of technology:

[Decision 2/CP.17, Annex III, paragraph 16]

...

16. With regard to the development and transfer of technology, non-Annex I Parties should provide information on technology needs, which must be nationally determined, and on technology support received.

...

Additionally, consider the guidance provided by the CGE in Box 3 and the tables in this section.

Box 3

CGE training materials on support received

This section deals with information on financial resources, technology transfer, capacity-building and technical support received from the Global Environment Facility (GEF), Parties included in annex II to the Convention and other developed country Parties, the Green Climate Fund and multilateral institutions for activities relating to climate change, including for the preparation of the current biennial update report (decision 2/CP.17, annex III, paragraph 15).

Tables 5–9, designed for reporting on the various support received, have been kept simple to avoid confusion and information overload.

Table 5
Funding from multilateral sources

<i>Reporting period:</i>								
<i>Funding source</i>	<i>Description of support, including USD(exchange rate)</i>							
	<i>Preparation of BUR</i>				<i>Climate change activities contained in the BUR</i>			
	<i>Financial</i>	<i>Capacity-building^b</i>	<i>Technology support</i>	<i>Technology transfer</i>	<i>Financial</i>	<i>Capacity-building^b</i>	<i>Technology support</i>	<i>Technology transfer</i>
Multilateral sources^a								
a) Global Environment Facility								
b) Least Developed Countries Fund								
c) Special Climate Change Fund								
d) Adaptation Fund								
e) Green Climate Fund								
f) Additional funding from specialized United Nations bodies (specify)								
o United Nations Development Programme								
o United Nations Environment Programme								
o Other								
g) ...								
h) ...								
Subtotal								
Total								

Abbreviation: BUR = biennial update report.

^a This is an indicative list of multilateral sources. Parties should include only what is relevant to them.

^b Includes systematic, institutional as well as individual capacity-building.

Table 6
Funding sources from Annex II and developed country Parties, including Party contribution

<i>Reporting period:</i>								
<i>Funding source</i>	<i>Description of support, including United States dollars (USD)(exchange rate)</i>							
	<i>Preparation of BUR</i>				<i>Climate change activities contained in the BUR</i>			
	<i>Financial</i>	<i>Capacity-building^b</i>	<i>Technology support</i>	<i>Technology transfer</i>	<i>Financial</i>	<i>Capacity-building^b</i>	<i>Technology support</i>	<i>Technology transfer</i>
<i>Funding from Annex II and other developed country Parties^a</i>								
Grants								
Concessional loans								
Non-concessional loans								
Overseas development aid								
Other (Specify)								
...								
...								
Subtotal								
Total (a)								
Party contribution ^a								
In-kind support								
Indicative co-financing								
Other (specify)								
...								
Subtotal								
Total (b)								
Grand total (a+b)								

Abbreviation: BUR = biennial update report.

^a This is an indicative list of funding received from Annex II and developed country Parties, including Party contribution. Parties should include only what is relevant to them. Overseas development aid provides concessionality for loans and grants.

^b Includes systematic, institutional as well as individual capacity-building.

Table 7
Funding sources from multilateral financial institutions, including regional development banks

<i>Reporting period:</i>								
<i>Funding source</i>	<i>Description of support, including United States dollars (USD)(exchange rate)</i>							
	<i>Preparation of BUR</i>				<i>Climate change activities contained in the BUR</i>			
	<i>Financial</i>	<i>Capacity-building^b</i>	<i>Technology support</i>	<i>Technology transfer</i>	<i>Financial</i>	<i>Capacity-building^b</i>	<i>Technology support</i>	<i>Technology transfer</i>
<i>Multilateral financial institutions, including regional development banks^a</i>								
1. World Bank								
2. International Finance Corporation								
3. African Development Bank								
4. Asian Development Bank								
5. Other (Specify)								
6. ...								
7. ...								
Subtotal								
Total								

Abbreviation: BUR = biennial update report.

^a This is an indicative list of multilateral financial institutions. Parties should include only what is relevant to them.

^b Includes systematic, institutional as well as individual capacity-building.

Table 8

Summary of financial resources, technology transfer, capacity-building and technical support received

<i>Reporting period:</i>		<i>Description of support, including USD (exchange rate)</i>				
<i>Type</i>		<i>Multilateral sources</i>	<i>Funding from Annex II and other developed country Parties</i>	<i>Party contribution</i>	<i>Multilateral financial institutions, including regional development banks</i>	<i>Other sources</i>
Preparation of BUR	Financial					
	Capacity-building					
	Technical support					
	Technology transfer					
Climate change activities contained in the BUR	Financial					
	Capacity-building					
	Technical support					
	Technology transfer					

Abbreviation: BUR = biennial update report

The table below indicates the type of information which can be collected and reported on support received to address technology needs.

Table 9
Summary of technology transfer needs

<i>Technology transfer needs</i>	<i>Current/ongoing projects</i>	<i>Proposed projects</i>
Technology information and gaps identified in various technology needs assessments including nationally determined technology needs		
Current implementation details and creation of an enabling environment		
Capacity-building needs for technology transfer		
Mechanisms for technology transfer		

Also, take into consideration the UNFCCC Handbook on Measurement, Reporting and Verification in particular the chapter “Information on the level of support received to enable the preparation and submission of biennial update reports”.⁷

Useful questions when preparing and reporting the information on support needs:⁸

- Has the Party described the system and/or procedures, including the institutional framework and any quality checks, for collecting and managing the data?
- Has the Party clearly defined the scope and boundaries of what it considers to be climate financing and/or climate support? What methodologies have been used to track and report support received?
- Does the Party report any data gaps, for example, gaps in collection of data on financials flows from non-government related agencies? If so, has the party addressed such gaps? Have the methods used to close the data gaps been described?
- Are there (any other) discernible data gaps not reported or acknowledged by the Party?
- Has the Party reported any consideration on data accessibility? What are such key considerations?
- Has the Party reported on discrepancies or conflicting information? If so, has the Party reported on how it solved the conflict?

⁷ https://unfccc.int/files/national_reports/annex_i_natcom_/application/pdf/non-annex_i_mrv_handbook.pdf.

⁸ These questions are merely illustrative. By no means are Parties specifically requested to submit information to answer each of these questions.

- Has the Party reported on the links between support received and the action reported in the mitigation action and the vulnerability and adaptation chapters of the national communication?
- Has the Party reported any issues related to the exchange rate of the support received and how that may have impacted the implementation of the mitigation or adaptation action?
- Has the Party clearly distinguished support received from bilateral and multilateral donors?
- Has the Party clearly distinguished financial, technical, capacity and technology transfer support? Has the Party clearly distinguished support received for mitigation and for adaptation activities as well as for the preparation of the BUR?
- Has the Party identified the sectors in which the support was used?
- Has the Party identified the type of support received (grant, concessional loan, non-concessional loan, other)?
- Has the Party reported on any conditionality upon receiving support?
- Has the Party reported on any private sector involvement in the support received?
- Has the Party reported any considerations on the effectiveness of the support received?

3.2.4. KEY CONSIDERATIONS FOR PREPARING AND REPORTING INFORMATION ON SUPPORT RECEIVED

Decision 2/CP.17, annex III, paragraph 15 requires non-Annex I Parties to report on:

- a) Financial support received;
- b) Technical support received;
- c) Capacity-building support received;
- d) Transfer of technology, for activities relating to climate change, including for the preparation of the current biennial update report.

While preparing the information to be reported on support received for the preparation of the BUR, the technical expert the following relevant paragraphs of **annex III to decision 2/CP.17** must be considered:

In relation to the objectives of the guidelines:

[Decision 2/CP.17, Annex III, paragraph 1]

1. The objectives of the guidelines for the preparation of the biennial update reports from Parties not included in Annex I to the Convention (non-Annex I Parties) are as follows:

.....

(d) To provide policy guidance to an operating entity of the financial mechanism for the timely provision of financial support needed by developing country Parties in order to meet the agreed full costs of preparing their biennial update reports;

(e) To facilitate the presentation of information on finance, technology and capacity-building support needed and received, including for the preparation of biennial update reports;

.....

In relation to the scope:

[Decision 2/CP.17, Annex III, paragraph 2]

...

2. The scope of biennial update reports is to provide an update to the most recently submitted national communication in the following areas:

...

(e) Information on the level of support received to enable the preparation and submission of biennial update reports;

....

In relation to the information to be provided:

[Decision 2/CP.17, Annex III, paragraph 15]

...

15. Non-Annex I Parties should also provide updated information on financial resources, technology transfer, capacity-building and technical support received from the Global Environment Facility, Parties included in Annex II to the Convention and other developed country Parties, the Green Climate Fund and multilateral institutions for activities relating to climate change, including for the preparation of the current biennial update report.

....

Additionally, also consider the useful questions prepared by the CGE below.

Useful questions when preparing and reporting the information on support received⁹

- Has the Party described the system and/or procedures, including the institutional framework and any quality checks, for collecting and managing the data?
- Does the Party report any data gaps? If so, has the party addressed such gaps? Have the methods used to close the data gaps been described?
- Are there (any other) discernible data gaps not reported or acknowledged by the Party?
- Has the Party reported any consideration on data accessibility? What are such key considerations?
- Has the Party reported on conflicting information? If so, has the Party reported on how it solved the conflict?
- Has the Party clearly distinguished support received from bilateral and multilateral donors?
- Has the Party clearly distinguished financial, technical, capacity and technology transfer support?
- Has the Party reported any issues related to the exchange rate of the support received and how that may have impacted the preparation of the national communication and/or BUR?
- Has the Party reported on the sufficiency of the support received for the preparation of the BUR?

⁹ These questions are merely illustrative. By no means are Parties specifically requested to submit information to answer each of these questions.

3.2.5. KEY CONSIDERATIONS FOR PREPARING AND REPORTING INFORMATION ON TECHNOLOGY NEEDS AND TECHNOLOGY SUPPORT RECEIVED

When preparing this information for reporting on nationally determined technology needs and technology support received, the relevant paragraphs of annex III to decision 2/CP.17 listed below must be considered.

In relation to the objectives of the guidelines:

[Decision 2/CP.17, Annex III, paragraph 1]

1. The objectives of the guidelines for the preparation of the biennial update reports from Parties not included in Annex I to the Convention (non-Annex I Parties) are as follows:

.....

(d) To provide policy guidance to an operating entity of the financial mechanism for the timely provision of financial support needed by developing country Parties in order to meet the agreed full costs of preparing their biennial update reports;

(e) To facilitate the presentation of information on finance, technology and capacity-building support needed and received, including for the preparation of biennial update reports;

.....

In relation to the information to the development and transfer of technology:

[Decision 2/CP.17, Annex III, paragraph 16]

...

16. With regard to the development and transfer of technology, non-Annex I Parties should provide information on technology needs, which must be nationally determined, and on technology support received.

...

Additionally, please consider the guidance provided by the CGE in Box 4 and the tables in this section.

CGE training materials on nationally determined technology needs

KEY CONSIDERATIONS ON TECHNOLOGY NEEDS WITHIN THE FRAMEWORK OF DEVELOPMENT AND TRANSFER OF TECHNOLOGY

- a) Parties, where appropriate, can report information related to:
- b) Efforts made to implement, coordinate and sustain capacity-building activities outlined in decisions 2/CP.7, 3/CP.7, 2/CP.10, 3/CP.10, 1/CP.17, 2/CP.17, 13/CP.17, 1/CP.18 and 21/CP.18 and implementation of climate change activities;
- c) Support received to address capacity-building and technology needs through North–South and/or South–South cooperation;
- d) Constraints experienced, if any, in facilitating dissemination and sharing of information on technical and capacity-building activities conducted by developing countries;
- e) Challenges encountered in promoting the coordination and sustainability of activities (including the efforts of national coordinating mechanisms, focal points and national coordinating entities) undertaken within the framework of biennial update report preparation and implementation of climate change activities;
- f) Constraints encountered in ensuring that the capacity-building activities undertaken within this framework are country-driven and implemented primarily at the country level.

INFORMATION ON TECHNOLOGY NEEDS

This section deals with information on technology needs, which must be nationally determined, and on technology support received (decision 2/CP.17, annex III, paragraph 16).

Table 10 is aimed at capturing information on nationally determined technology needs and technology support received.

Table 10

Nationally determined technology needs and technology support received

<i>Reporting period:</i>			
<i>Status (ongoing/planned/completed)</i>	<i>Overall support needed</i>	<i>Support received</i>	<i>Additional support needed</i>
Activity 1			
Activity 2			
Activity n			

Also, take into consideration the UNFCCC Handbook on Measurement, Reporting and Verification.

Also, consider the handbook on Enhancing Implementation of Technology Needs Assessments Guidance for Preparing a Technology Action Plan.¹⁰

Useful questions when preparing and reporting the information on technology development and needs:¹¹

- Has the Party described the institutional framework and the procedures used to determine national technology needs, areas of progress in technology innovation, dissemination and deployment, and opportunities to create enabling environments? Have these climate change related aspects been described within the context of the broader national development and environmental objectives?
- Does the Party report on the involvement of stakeholders, including the private sector, entrepreneurs, technology owners, the research community and both urban and rural stakeholders?
- Has the Party identified and described national development priorities? Do such priorities take climate change into account?
- Does the Party identify priority sectors? Are the methods and criteria used to prioritize sectors described?
- Does the Party identify mitigation and adaptation technologies needs? Does the Party report on mitigation and adaptation technology support received?
- Does the Party identify and prioritize technologies? Are these technologies described as climate proof?
- Does the Party identify activities to facilitate and accelerate development and transfer of technology?
- Are the sectors and technologies identified and prioritized aligned with priorities described in the mitigation action and vulnerability and adaptation chapters in the national communication?
- Has the Party reported whether the technology support was received through non-concessional basis, investment incentives (capital grants, low-cost debt and equity) or tradable instruments?
- Has the Party described progress resulting from technology innovation, development, dissemination, and deployment through collaborative activities, including overseas development assistance and assistance through the UNFCCC Technology Mechanism?
- Has the Party described progress resulting from technology innovation, development, dissemination, and deployment through support from non-state actors and the private sector?
- Has the Party described development of new or innovative enabling environments and/or national systems of innovation that help to enable technology development, dissemination, and diffusion? [can include reference to TEC brief on National Systems of Innovation]
- Has the party reported on assistance through the UNFCCC Technology Mechanism, including reporting on successful outcomes from TNAs, TAPs, or requests through the CTCN?

¹⁰ http://unfccc.int/ttclear/misc_/StaticFiles/gnwoerk_static/TEC_column_M/33933c6ccb7744bc8fd643feb0f8032a/82af010d04f14a84b9d24c5379514053.pdf.

¹¹ These questions are merely illustrative. By no means are Parties specifically requested to submit information to answer each of these questions.

3.2.6. NEEDS IDENTIFIED VERSUS AVAILABLE RESOURCES

Useful questions when preparing and reporting the information on needs identified and available resources support received:¹²

- Are there data gaps? Have those been identified by the Party? If so has the Party described any method used to fill the data gaps?
- Is there any conflict of information? Has the Party identified it and if so, has the Party described how it addressed the issue?
- Has the Party reported on any problem related to the exchange rate applied to the financial support received? If so, has the Party reported on how it impacted in the implementation of the related climate change activity or the preparation of the national communication and/or BUR?

3.2.7. CROSS-CUTTING ISSUES

This section deals with a range of issues related to the overall information reported in relation to support, including the institutional framework in place and the Party's capacity and capacity-building needs.

The main objectives of this section are to provide:

- a) An overall description of key cross-cutting issues in the preparation of BURs;
- b) An overall description of key issues related to capacity-building needs for the preparation of BURs.

When preparing the information to be included in the BUR from a cross-cutting perspective, determine whether the guidelines have, as per their objectives, encouraged the presentation of information in a consistent, transparent, complete, accurate and timely manner, considering specific national and domestic circumstances.

The institutional framework and procedures for the identification of gaps, constraints, needs and support received.

The information to be reported by the Party on gaps, constraints, needs and support received, must specifically consider the following relevant paragraphs of **annex III to decision 2/CP.17**:

¹² These questions are merely illustrative. By no means are Parties specifically requested to submit information to answer each of these questions.

In relation to the objectives of the guidelines:

[Decision 2/CP.17, Annex III, paragraph 1]

1. The objectives of the guidelines for the preparation of the biennial update reports from Parties not included in Annex I to the Convention (non-Annex I Parties) are as follows:

.....

(b) To encourage the presentation of information in a consistent, transparent, complete, accurate and timely manner, taking into account specific national and domestic circumstances;

...

In relation to the scope:

[Decision 2/CP.17, Annex III, paragraph 2]

...

2. The scope of biennial update reports is to provide an update to the most recently submitted national communication in the following areas:

...

(a) Information on national circumstances and institutional arrangements relevant to the preparation of the national communications on a continuous basis;...

.....

In relation to the information to the development and transfer of technology:

[Decision 2/CP.17, Annex III, paragraph 16]

...

16. With regard to the development and transfer of technology, non-Annex I Parties should provide information on technology needs, which must be nationally determined, and on technology support received.

...

Additionally, consider the guidance provided by the CGE in Box 5 below.

CGE training materials on institutional framework

- a) Institutional framework
- a) Describe the current institutional framework used in implementation of climate change activities;
- b) Describe the institutional and/or legal frameworks for technical and capacity-building support;
- c) Describe the efforts aimed at strengthening individual and collective capacity of stakeholders;
- d) Describe the gaps, needs and priorities in technical and capacity-building support.

3.2.8. CLARIFYING CAPACITY-BUILDING NEEDS

When preparing and reporting information on capacity-building needs take into consideration some key issues referred to in the literature¹³ related to key challenges faced by countries in tracking and reporting climate support.

Such issues include, among others:¹⁴

- a) **Double counting:** is the Party accounting for the same support more than once? For example, is the Party reporting on the same technology support in its reporting under decision 2/CP.17, annex III, paragraph 15 and 16? If so, has the Party clearly identified that case? In any total aggregation of support received reported by the Party are such double counting issues identified and/or solved?
- b) **Support for mitigation action:** has the Party made the link between support needs and support received and its mitigation action reported in the respective chapter of the BUR? Did the Party make the link between the ambition of its mitigation action and the ambition of the support received?
- c) **Definition of climate support:** has the Party reported a definition of climate support? Has the Party reported only climate-specific support needs and support received or has it also reported climate-relevant support needs and support received?
- d) **Effectiveness of support received:** has the Party reported on the effectiveness of the support received (e.g. in relation to emissions reductions and/or enhanced resilience or reduced vulnerability)?
- e) **Types of financial support:** does the Party report on different types of support, such as grants, concessional and non-concessional loans, equity, loan guarantees, insurance and debt-for-nature swaps;

¹³ Jane Ellis – Challenges of regarding MRV of Climate Support (PPT presentation); Tirpak D, Brown LH and Ballesteros A. 2014. *Monitoring Climate Finance in Developing Countries: Challenges and Next Steps*. World Resources Institute. Available at <http://www.wri.org/publication/monitoring-climate-finance-developing-countries-challenges-and-next-steps>.

¹⁴ These questions are merely illustrative and have been formulated to identify broader cross cutting capacity-building needs. By no means are Parties specifically requested to submit information to answer each of these questions.

- f) **Coverage of support received tracked:** does the Party report support received by the private sector and the nongovernmental organization (NGO) community? If so, is the support received by each type of organization (public, private and NGO) clearly identified?
- g) **Delivery:** does the Party report only support which has been received (delivered by the donor) or does it also report on other types such as support committed by donors but not yet delivered? Does the Party clearly identify such instances?
- h) **Channels:** does the Party clearly identify the different support channels, i.e. multilateral and bilateral? Does the Party identify support received from Parties not included in Annex II to the Convention?
- i) **Completeness of the picture:** do the institutional arrangements allow for tracking both international and national resources (to allow for the development and reporting of a comprehensive climate change strategy)? Do these arrangements allow tracking of general budget support, which is channelled to climate relevant policies?

3.3. EXAMPLES OF REPORTING

The following examples prepared by the CGE provide ways in which information on finance, technology and capacity-building needs and support received can be concisely reported within tables whilst highlighting and discussing the key issues.

A more elaborate report could include, for example, a description of the various sources and methods used and how information was interpreted. This would facilitate the comparison between different reporting periods and assist the reader in understanding the information provided by the Party.

3.3.1. TECHNICAL SUPPORT NEEDS

Table 11
Examples of technical support needs reported by Parties

<i>Activities</i>	<i>Status (ongoing/ planned/completed)</i>	<i>Overall technical support needed (a)</i>	<i>Technical support received (b)</i>	<i>Additional technical support needed (c)</i>
<p>Gambia</p> <p>http://unfccc.int/files/focus/application/pdf/nama_foc_prop_gambia.pdf</p> <p>Development of a low-emission development strategy including increased energy production from renewable sources</p>	Planned	Proposed funding needed for the 10 nationally appropriate mitigation actions (NAMAs) identified is USD 118,144,000 (specific details to be provided on the development of the full proposals)	Not communicated	Not communicated
<p>Dominica</p> <p>https://unfccc.int/files/cooperation_support/nama/application/pdf/dominica_low_carbon_climate_esilient_strategy__(finale).pdf</p> <p>Low-Carbon Climate-Resilient Development Strategy: a key platform for supporting the government's Growth and Social Protection Strategy</p>	Ongoing	Strategy being supported by financing from a range of sources, including the Global Environment Facility, the Climate Investment Funds, the Green Climate Fund and SIDS DOCK	Dominica needs funds in excess of those received from donors under current financing mechanisms to address climate change in a meaningful manner	Strategy being supported by financing from a range of sources, including the Global Environment Facility, the Climate Investment Funds, the Green Climate Fund and SIDS DOCK
<p>Burkina Faso</p> <p>http://unfccc.int/files/focus/application/pdf/nama_foc_prop_burkina_faso.pdf</p> <p>National Rural Sector Programme: takes into account and operationalizes all policies and strategies linked to rural development. Mitigation potential estimated to be 9.1 megatonnes of</p>	Ongoing	<p>Conducting monitoring and evaluation</p> <p>Estimating greenhouse gas emission abatement</p> <p>Using software for monitoring operational variables</p>	Not communicated	Not communicated

<i>Activities</i>	<i>Status (ongoing/ planned/completed)</i>	<i>Overall technical support needed (a)</i>	<i>Technical support received (b)</i>	<i>Additional technical support needed (c)</i>
carbon dioxide equivalent (Mt CO ₂ eq) or 1.2 Mt CO ₂ eq per year between 2008 and 2015		Setting up a national measuring, reporting and verification (MRV) system		
Mali http://unfccc.int/files/cooperation_support/nama/application/pdf/nama_preparation-energy.mali_revseyini%5B1%5D.pdf NAMA in renewable energy and energy efficiency	Planned	USD 840,000	Seeking support	Grant of USD 40,000 to prepare mitigation action Technical support for MRV system development USD 200,000

3.3.2. CAPACITY-BUILDING SUPPORT NEEDS

Identify additional capacity-building support needs based on the capacity-building needed, available capacity-building and received capacity-building for a given activity. Table 12 provides examples of inventories of capacity-building support needs by Parties.

Table 12

Examples of capacity-building support needs reported by Parties

<i>Activities</i>	<i>Status (ongoing/ planned/completed)</i>	<i>Overall capacity-building needed (a)</i>	<i>Available capacity- building and capacity-building received (b)</i>	<i>Additional capacity- building needed (c)</i>
Saint Lucia http://unfccc.int/resource/docs/natc/lcanc2.pdf Implementation of Saint Lucia's Sustainable Energy Plan	Planned	Building institutional capacity for energy sector planning and evaluation of renewable energy technologies (RET) Conducting research into RET potential and energy efficiency measures	Seeking support	Not communicated
Mali http://unfccc.int/files/cooperation_support/nama/application/pdf/nama_preparation-energy.mali_revseyni%5B1%5D.pdf Required capacity-building support in nationally appropriate mitigation action (NAMA) in renewable energy and energy efficiency	Planned	USD 840,000	Seeking support	Grant of USD 40,000 to prepare mitigation action Technical support for measuring, reporting and verification system development USD 600,000

3.3.3. FINANCIAL SUPPORT NEEDS

Identify additional financial support needs based on the overall financial support needed and available financial support for a given activity. Table 13 provides examples of inventories of financial support needs by Parties.

Table 13

Examples of financial support needs reported by Parties

<i>Activities</i>	<i>Status (ongoing/ planned/completed)</i>	<i>Overall financial support needed (a)</i>	<i>Financial support received (b)</i>	<i>Additional financial support needed (c)</i>
Moldova http://unfccc.int/resource/docs/natc/mdanc2.pdf Electrical and thermal power	Ongoing	78.5 billion Moldovan leu (MDL) or USD 6.9 billion for 2009–2013	Seeking support	MDL 1,666 billion for modernization, re-equipping existing electric power generation sources, construction of new power generation sources, renovation and decentralization of heat supply systems, use of renewable sources of energy, energy conservation activities, etc.
Namibia http://unfccc.int/resource/docs/natc/namnc2.pdf New hydro investments: a great need exists for Namibia to achieve a greater level of energy self-sufficiency	Ongoing	USD 368 million in 2012 on the Ruacana (hydro) fourth turbine (95 MW) USD 210 million in 2013 on Orange River (hydro) first phase USD 210 million in 2017 on Orange River (hydro) (105 MW) USD 500 million in 2019 on Baynes (hydro) (assuming 550 MW to be shared 50/50 with Angola)	The government is expected to receive USD 92 million from bilateral overseas development aid with an associated financial flow of about USD 10 million	Not communicated

GLOSSARY

Adaptation: Initiatives and measures to reduce the vulnerability of natural and human systems against actual or expected climate change effects.

Adaptation Fund: the Adaptation Fund was established to finance concrete adaptation projects and programmes in developing countries that are particularly vulnerable and are Parties to the Kyoto Protocol. The fund is to be financed with a share of proceeds from clean development mechanism (CDM) project activities and receive funds from other sources. It is operated by the Adaptation Fund Board.

Annex I Parties: Parties included in Annex I to the Convention that were members of the Organisation for Economic Co-operation and Development in 1992, plus countries with economies in transition, including the Russian Federation, the Baltic States, and several Central and Eastern European States.

Annex II Parties: consist of the Organisation for Economic Co-operation and Development members of Annex I, but not the countries with economies in transition. They are required to provide financial resources to enable developing countries to undertake emissions reduction activities under the Convention and to help them adapt to adverse effects of climate change. In addition, they must “take all practicable steps” to promote the development and transfer of environmentally friendly technologies to countries with economies in transition and developing countries. Funding provided by Annex II Parties is channelled mostly through the Convention’s financial mechanism.

Biennial update reports (BURs): a report submitted by Parties not included in Annex I to the Convention, which provides updates on actions undertaken by the Party to implement the Convention, including the status of its greenhouse gas emissions and removals by sinks, as well as actions to reduce emissions or enhance sinks.

Capacity-building: in the context of climate change, the process of developing the technical skills and institutional capability in developing countries and economies in transition, to enable them to address and report effectively on the implementation of the Convention.

Global Environment Facility (GEF): the GEF is an independent financial organization that provides grants to developing countries for projects that benefit the global environment and promote sustainable livelihoods in local communities. The Parties to the Convention assigned operation of the financial mechanism to the GEF on an ongoing basis, subject to review every four years. The financial mechanism is accountable to the COP.

Green Climate Fund (GCF): at COP 16 in Cancun in 2010, governments established a Green Climate Fund as an operating entity of the financial mechanism of the Convention under Article 11. The GCF will support projects, programmes, policies and other activities in developing country Parties. The Fund will be governed by the GCF Board.

Least Developed Country Fund (LDCF): the LDCF is a fund established to support a work programme to assist least developed country Parties to carry out, inter alia, the preparation and implementation of national adaptation programmes of action (NAPAs). The Global Environment Facility, as the entity that operates the financial mechanism of the Convention, has been entrusted to operate this fund.

National communication: a document submitted in accordance with the Convention (and the Protocol) by which a Party informs the Conference of the Parties of activities undertaken to address climate change. Most developed countries have now submitted their fifth national communications;

↳ most developing countries have completed their second national communication and are in the process of preparing their third.

Special Climate Change Fund (SCCF): the SCCF was established to finance projects relating to adaptation; technology transfer and capacity-building; energy, transport, industry, agriculture, forestry and waste management; and economic diversification. This fund should complement other funding mechanisms for the implementation of the Convention. The Global Environment Facility, as the entity that operates the financial mechanism of the Convention, has been entrusted to operate this fund.

Technology transfer: a broad set of processes covering the flows of know-how, experience and equipment for mitigating and adapting to climate change among different stakeholders.
