

## **ANALYTICAL SUMMARY OF THE JOINT OIF–OECD REPORT**

### ***Access to Finance for Climate and Biodiversity – From Global Commitments to Country Action***

**Prepared for the Standing Committee on Finance (SCF), Seventh Biennial  
Assessment (7th BA)**

#### **1. Introduction**

This analytical summary presents the key findings of the joint report prepared by the Organisation internationale de la Francophonie (OIF) and the Organisation for Economic Co-operation and Development (OECD) on access to climate and biodiversity finance in Francophone developing countries. The report draws on quantitative data, institutional diagnostics, and country case studies from more than 30 countries, including Least Developed Countries (LDCs) and Small Island Developing States (SIDS).

The evidence aligns directly with the structure and objectives of the Seventh Biennial Assessment and Overview of Climate Finance Flows (7th BA), particularly regarding methodological transparency, climate finance flows, effectiveness and access, and inputs relevant to the new collective quantified goal (NCQG).

#### **2. Methodological Issues and Transparency of Climate Finance**

##### **2.1. Diversity of methodologies and implications for transparency**

The report highlights significant methodological divergence across international and national systems:

- International methodologies such as OECD DAC Rio markers, MDB joint methodology, and climate fund taxonomies are not consistently applied at country level.

- National systems often lack the capacity to reconcile international classifications with domestic budget structures.
- This results in under-reporting of adaptation finance and over-reporting of cross-cutting interventions.

## **2.2. National systems for tracking climate finance**

Across Francophone developing countries, the report documents:

- emerging climate budget tagging systems
- fragmented MRV frameworks
- limited integration of climate finance tracking into public financial management (PFM)
- insufficient data on private finance mobilization

These gaps hinder compliance with the Enhanced Transparency Framework (ETF).

## **2.3. Readiness needs for transparency**

Countries identify substantial needs for:

- technical support to prepare Biennial Transparency Reports (BTRs)
- harmonization of national and international methodologies
- improved data systems for adaptation, loss and damage, and locally led action

These findings directly support the 7th BA's analysis of transparency challenges.

# **3. Overview of Climate Finance Flows**

## **3.1. Climate finance received by Francophone developing countries**

Using OECD DAC statistics, climate fund datasets, and national information systems, the report shows:

- steady increases in mitigation finance, particularly in energy and transport
- persistent under-financing of adaptation, despite high vulnerability

- limited access to private climate finance, especially in LDCs and SIDS
- concentration of flows in countries with stronger institutional capacity

### **3.2. Sectoral and thematic trends**

Key trends include:

- strong demand for adaptation finance in agriculture, water, and coastal resilience
- growing interest in biodiversity-climate synergies, but limited dedicated financing
- insufficient investment in capacity-building, institutional strengthening, and project preparation

### **3.3. Readiness and project preparation finance**

The report highlights:

- readiness finance is essential but insufficient
- project preparation cycles remain long and resource-intensive
- countries face challenges in meeting fiduciary, environmental, and gender requirements
- readiness support often does not translate into bankable project pipelines

### **3.4. Domestic public finance**

Several countries have begun integrating climate considerations into national budgets, but:

- domestic allocations remain modest
- climate budget tagging is not yet systematic
- fiscal constraints limit the ability to scale domestic climate action

### **3.5. Timeliness of approvals and disbursements**

The report documents:

- long approval timelines for multilateral climate funds (often 18–36 months)
- slow disbursement rates, particularly for adaptation projects
- administrative burdens that disproportionately affect LDCs and SIDS

These findings directly inform the 7th BA's analysis of global and country-level climate finance flows.

## **4. Assessment of Climate Finance Flows**

### **4.1. Alignment with national needs and priorities**

The report finds:

- climate finance is not fully aligned with **NDC** and **NAP** priorities
- adaptation needs are systematically underfunded
- countries require support to develop long-term strategies and investment plans

### **4.2. Barriers to accessing climate finance**

Key barriers include:

- stringent fiduciary and accreditation requirements
- limited project preparation capacity
- high transaction costs
- insufficient local institutional capacity
- challenges in accessing direct access modalities

These barriers are particularly acute for LDCs and SIDS.

### **4.3. Effectiveness and impact**

The report highlights:

- positive impacts in resilience, gender equality, and community-level benefits
- limited evidence of systemic transformation due to small project sizes and fragmented interventions

- need for more programmatic approaches and country platforms

#### **4.4. Implications for the NCQG**

The report provides insights relevant to the new collective quantified goal:

- countries expect the NCQG to deliver predictable, accessible, and balanced finance
- adaptation must receive significantly increased resources
- simplified procedures and enhanced readiness are essential
- the NCQG should support institutional strengthening, data systems, and locally led adaptation

#### **4.5. Cross-Cutting Messages**

- Structural barriers continue to limit access to climate finance for Francophone developing countries.
- Readiness support is essential but must be scaled up and better targeted.
- Approval and disbursement delays undermine the effectiveness of climate action.
- Strengthening national systems is critical for transparency under the ETF.
- The NCQG represents an opportunity to address long-standing gaps in adaptation finance, capacity-building, and institutional strengthening.