

1st Technical meeting on the preparation of the 2018 Biennial Assessment and Overview of Climate Finance Flows

10 April 2018

UN Campus
Platz der Vereinten Nationen 1
53113 Bonn, Germany

AGENDA

Background

The Standing Committee on Finance (SCF) assists the Conference of the Parties (COP) with respect to the measurement, reporting and verification (MRV) of support provided to developing country Parties, including through activities such as the preparation of the biennial assessment and overview of climate finance flows (BA). In accordance with decision 1/CP.21 (Adoption of the Paris Agreement), the SCF will serve the Paris Agreement in line with its functions and responsibilities established under the COP.

The 2018 BA will be the third in a series of BAs. The [first BA](#) was prepared in 2014¹. The [second BA](#) was prepared in 2016. [The summary and recommendation by the SCF on the 2016 BA](#) is contained in annex to [decision 8/CP.22](#). The underlying technical reports are viewable [here](#).

The SCF, through the BA and other activities, contributes to the progressive improvement of the compilation of climate finance information. Additionally, the COP, in decision 1/CP21, paragraph 94 (e), has also requested the Ad-hoc Working Group on the Paris Agreement, when developing the modalities, procedures, and guidelines for the transparency framework for action and support, to consider, *inter alia*, information in the BA. Furthermore, Parties, in the context of discussions on the development of the modalities and identification of sources of inputs for the global stocktake under the APA, have referred to the BA as vehicle to inform global stocktakes with respect to support to developing countries, as well as the broader climate financial and investment flows. The 2018 BA will be completed in time for COP24.

Scope of 2018 BA

The 2018 BA will present estimates of global climate finance flows (public and private), including flows from developed to developing countries (public and available data on mobilized private finance through public interventions), domestic climate finance (and South–South cooperation, as well as the other climate-related flows and sub-flows that constitute global total climate finance flows for the period 2015-2016. This BA will also map available datasets that integrate climate change considerations into insurance, lending and investment decision-making processes and that include information relevant to tracking consistency with the long-term goal outlined in Article 2, paragraph 1(c), of the Paris Agreement.

¹ Available at: <<http://unfccc.int/10029.php>>

The third BA will further assess climate finance flows, including, the implications of these flows, composition, purpose and emergent trends relevant to the UNFCCC objectives, including the new goals set out in the Paris Agreement.

Furthermore, it will include information on methodological issues relating to MRV of support and climate finance more generally, including recent developments.

The [Call for evidence: information and data for the preparation of the 2018 Biennial Assessment and overview of Climate Finance Flow](#) issued by the SCF in February 2018 outlines information and data needs for the preparation of the 2018 BA.

Objectives

This first technical meeting on the 2018 BA will bring together the SCF with external contributors and experts for an informal exchange on the latest developments in methodological issues relating to the MRV of climate finance, identification of data availability and gaps for public international, private international, and domestic flows, latest developments on methodologies for tracking and reporting climate finance, and issues relating to the assessment of climate finance flows.

Agenda

<p>14:00 – 14:15</p>	<p>Introduction by the Standing Committee on Finance: mandates, objectives, scope, and expectations of the SCF</p> <ul style="list-style-type: none"> • Mr. Seyni Nafo (via webcast) • Ms. Outi Honkatukia
<p>14:15 – 16:00</p>	<p>Methodological issues relating to the measurement, reporting, and verification (MRV) of climate finance flows</p> <p><i>Presenter: Marenglen Gjonaj</i></p> <p>Participants will be invited to share information with the SCF on: (i) any updates in operational definitions of climate finance as well as tracking and reporting approaches; (ii) methods for estimating and tracking climate related private finance mobilized through public interventions; and (iii) reporting on impact of climate finance. Key issues to be considered:</p> <ul style="list-style-type: none"> • How ongoing efforts aimed at harmonization of reporting approaches of data producers and aggregators enhance clarity, consistency and transparency of climate finance flows compared to findings in the 2016 and 2014 BA • Progress made in developing methodologies for aggregation of climate finance flows • State of play on reporting of impact of mitigation and adaptation finance <p>Overview of climate finance flows</p> <p><i>Presenter: Padraig Oliver</i></p> <p>Participants will be invited to share information and their views with the SCF members about datasets capturing all types of flows, data gaps and limitations, as well as information and data that is useful for considering the extent to which climate change considerations are mainstreamed into broader investment and financial flows. Key issues to be considered:</p> <ul style="list-style-type: none"> • Estimates of climate finance flows in 2015-2016 for public international, private international and domestic for the following sectors

	<ul style="list-style-type: none"> ○ Renewable energy ○ Energy efficiency, including green buildings and industry ○ Sustainable transport ○ Land use and forestry ○ Climate adaptation and resilience ○ Other sectors, as relevant. <p><i>Background papers: General Outline of the 2018 BA (annex); 2016 BA technical report and summary and recommendations; Call for evidence: information and data for the preparation of the 2018 Biennial Assessment and overview of Climate Finance Flow</i></p>
<p>16:00 – 16:15</p>	<p>Coffee break</p>
<p>16:15 – 17:45</p>	<p>Assessment of climate finance flows</p> <p><i>Presenter: Charlene Watson</i></p> <p>Participants will be invited to share information and their views on policy and financial considerations, climate finance effectiveness and impact, and ownership. Key issues to be considered:</p> <ul style="list-style-type: none"> ● Have new approaches or methodologies for understanding finance and investment needs, and ensuring ownership of climate finance been developed since the 2016 BA? Are there insights to be learned from efforts to consider climate finance needs and alignment of climate finance flows with the NDCs? ● What progress has been made in understanding the impact of climate finance by funds, intermediaries, and recipient countries? Is there recent evidence on the impact and results of climate finance spending, including but not limited to that of the dedicated multilateral climate funds, development finance institutions and bilateral finance arrangements? <p>Information that is relevant to track collective progress towards Article 2.1.c</p> <p><i>Presenters: Pdraig Oliver and Charlene Watson</i></p> <p>Key issues to be considered:</p> <ul style="list-style-type: none"> ● State of play on metrics and methods for assessing availability of information that is needed to track global progress towards the goal outlined in Article 2.1 (c), of the Paris Agreement ● Available datasets that integrate climate change considerations into insurance, lending and investment decision-making processes and that include information relevant to tracking consistency with the long-term goal outlined in Article 2, paragraph 1(c), of the Paris Agreement ● How should total climate finance flows be assessed relative to wider investment in business as usual? What data and approaches might be considered to help develop a shared understanding on the tracking of the collective progress towards the goal outlined in Article 2.1.c.? <p><i>Background papers: General Outline of the 2018 BA (annex); 2016 BA technical report and summary and recommendations; Call for evidence: information and data for the preparation of the 2018 Biennial Assessment and overview of Climate Finance Flow</i></p>
<p>17:45 – 18:00</p>	<p>Closure</p> <ul style="list-style-type: none"> ● Secretariat: next steps ● Ms. Outi Honkatukia and Mr. Seyni Nafu (via webcast)

Format

The meeting will be informal and interactive, with the objective to exchange policy and technical perspectives in a lively roundtable discussion. Participants are encouraged to come with data sets/samples and be prepared to contribute with substantive input to discussions on methodologies, overview and assessment of climate finance flows. There will be no formal output. The BA team will compile the input, gather the insights generated from the discussions for further consideration and follow-up with organizations/experts as necessary.

Participation

The technical meeting will involve SCF members, external contributors and climate finance stakeholders attending the twelfth meeting of the SCF.

HOW TO REACH THE UN CAMPUS

By car:

Route map:

https://maps.google.de/maps?q=campus+der+vereinten+nationen+bonn&ie=UTF-8&ei=DfaBUom-NtDHswbG2IDIBA&ved=0CAgQ_AUoAg

Note for visitors:

There is little space for car parking at the UN Campus. However, cars can be parked in one of the parking areas you pass along Charles-de-Gaulle-Str. Located on the back of the campus at the river side; there is a big parking space. The costs for whole day parking will be 5 Euro.

By tram/underground:

From Bonn Hauptbahnhof main station:

Underground (U-Bahn) line 16, 63 or 66 towards Bad Godesberg/Koenigswinter/Bad Honnef Heussallee stop, exit "Deutsche Welle". When you reach the street go straight ahead until you reach Platz der Vereinten Nationen 1 and the UN Campus.

From airports:

From Cologne/Bonn airport (Flughafen Koeln/Bonn):

Airport-shuttle-bus No SB60 towards Bonn:

Bus line "SB60" (airport express) services the 25 kilometer stretch between Cologne/Bonn Airport and the Bonn Main Railway Station. The journey is foreseen to take approx. 30 min. At the time of writing, one-way tickets are sold at EUR 7.90.

During weekdays, the bus leaves every 30 min. while it leaves every 30/60 min. on Saturdays and Sundays. For exact timetables, please refer to the SWB Web site here: <http://en.swb-busundbahn.de/bus-bahn/service/airport-express-sb60.html>.

Hauptbahnhof (main railway station)

Underground (U-Bahn) line 16, 63 or 66 towards Bad Godesberg/Koenigswinter/Rammersdorf

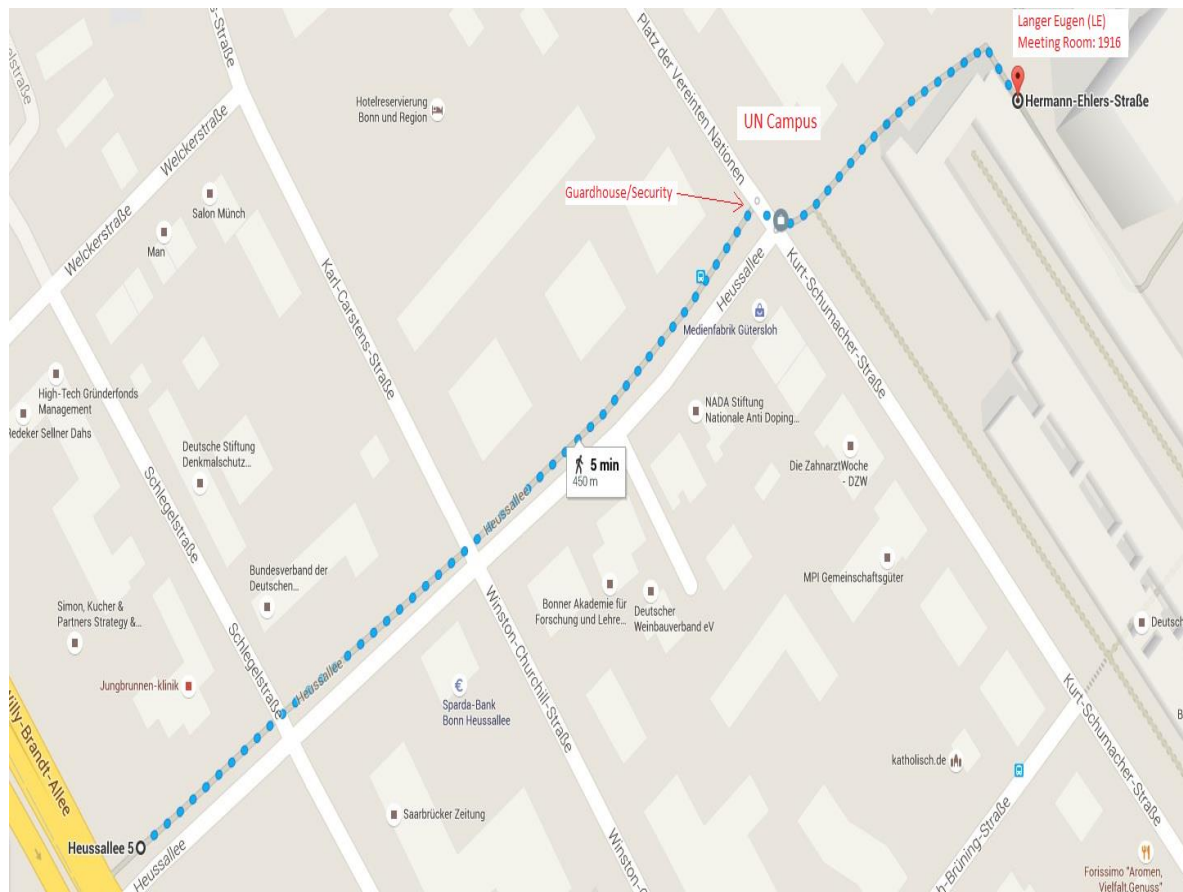
Heussallee stop, exit "Deutsche Welle". When you reach the street go straight ahead until you reach Platz der Vereinten Nationen 1 and the UN Campus.

From Frankfurt airport (Flughafen Frankfurt)

There is a fast train (Intercity train) from Frankfurt airport to Siegburg/Bonn. From Siegburg you can take a taxi (0228-555 555) to the UN Campus. Alternatively there is a slower train, line 66, going directly to Bonn city centre departing every hour.

By taxi

The fare for a taxi ride to Altes Abgeordnetenhaus/Langer Eugen (Platz der Vereinten Nationen 1) from Bonn city centre and Hauptbahnhof is around 8 Euro. The central phone number for Bonn taxis is 0228-555 555.



Annex – General Outline of the 2016 biennial assessment and overview of climate finance flows

ACKNOWLEDGEMENT

Summary and recommendations by the Standing Committee on Finance on the 2018 biennial assessment and overview of climate finance flows (see above)

INTRODUCTION

- Background and objectives: set the scene – context of decisions of the Conference of the Parties.
- Scope: explicit explanation of what the 2018 BA will do (i.e. a metadata analysis and overview/summary of existing publically available information).
- Challenges and limitations (e.g. practical difficulties in estimating domestic flows, private flows and other unreported or underreported flows with any certainty).
- Approaches used in preparing the 2018 BA:
 - Clearly outline what the BA is: describe where the data have been sourced from, time period, data coverage and how the data were aggregated (e.g. how the different types of sub-flows are categorized in the onion diagram, how “pledged” vs “committed” vs “disbursed” are treated, etc.);
 - Clearly describe where the data on “geographical” and “thematic balance” come from and how they are aggregated and categorized.

CHAPTER I – Methodological issues relating to measurement, reporting and verification of climate finance

- Key messages.
- Brief summary/update on ongoing technical work related to measurement, reporting and verification of finance, including operational definitions:
 - Compilation of definitions of climate finance and criteria used by various institutions, and compilation of information on how Parties define mitigation and adaptation in their national communications, biennial reports, biennial update reports, nationally determined contributions, national adaptation plans and nationally appropriate mitigation actions;
 - Comparison of approaches used in reporting climate finance, including sector-based methodologies, methodologies for estimating mobilized private finance, and domestic climate finance tracking systems.
- Information on emerging methodologies for measuring mitigation and adaptation finance outcomes.

Review recommendations from the 2014 and 2016 BAs.

CHAPTER II – Overview of current climate finance flows in 2015–2016

- Key messages.
- Mapping of data availability and gaps by sector, geographic area, thematic distribution and financial instrument/asset class.
- Updated onion diagram, including information on trends since the 2014 BA with respect to flows, thematic and geographical distribution and financial instruments used:
 - Estimates of global total climate finance flows, including international and domestic flows;
 - Climate finance flows from developed to developing countries:
 - UNFCCC funds;
 - South–South cooperation on climate finance.

- Evaluation of the quality of data, including clear identification of the uncertainties associated with each source of data and description of how the quality of measurement and reporting is assessed, and the completeness of data (e.g. clearly outline the sources of data uncertainty, clearly describe the assessment of the quality of data as “relatively certain”, “medium certain” or “relatively uncertain”, and clearly present the scale of the completeness of data from ‘low’ to ‘high’).
- Mapping of available datasets that integrate climate change considerations into insurance, lending and investment decision-making processes and that include information relevant to tracking consistency with the long-term goal outlined in Article 2, paragraph 1(c), of the Paris Agreement.
- Reflection of perspectives of recipient countries.
- Identification of emerging sources of data (e.g. cities)

CHAPTER III – Assessment of climate finance flows

- Key messages.
- Introduction.
- Thematic objectives and geographical distribution of climate finance flows to developing countries:
 - Thematic objectives of climate finance;
 - Geographical distribution of climate finance;
 - Additionality of climate finance provided to developing countries.
- Effectiveness of climate finance: ownership, needs and impacts:
 - Access to climate finance;
 - Pledges, approvals, commitments and disbursement of climate finance;
 - Ownership;
 - Alignment with needs, including inter alia in the context of nationally determined contributions and national adaptation plans;
 - Reported results and impacts of climate finance: selected insights and experience;
 - Leverage and mobilization.
- Global total climate finance, and developing country flows in context:
 - Investment in high-carbon energy;
 - Estimates of subsidies;
 - Subsidies and financing measures affecting forests and land-use change;
 - Global finance at risk from climate change.
- Special topics/issues, such as gender and climate finance, forest finance, financial instruments to address loss and damage, technology investment and climate-resilient infrastructure.

ANNEXES

FAQs

GLOSSARY

REFERENCES

LIST OF ABBREVIATIONS

BOXES/CASE STUDIES (in relevant chapters)

- Possible examples:
 - Metrics for assessing progress in the alignment of portfolios of international financial institutions, institutional investors, etc.;
 - Systems and tools used for integrating climate change considerations into investment strategies and decision-making processes in the mainstream investment, lending and insurance sectors.