

## PRESIDENT's TEXTUAL PROPOSAL

### COP 24

#### Modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Article 9, paragraph 7, of the Paris Agreement

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#### **Draft text**

*Note: This annex is to be incorporated into the modalities, procedures and guidelines for the transparency framework under Article 13 of the Paris Agreement.*

*The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement*

*Based on the mandate contained in decision 1/CP.21, paragraph 57,  
Recalling Articles 4 and 11 of the Convention,  
Also recalling Articles 2, 3, 4, 7, 8, 9, 10, 11 and 13 of the Paris Agreement,*

#### Option 1:

*Further recalling that developed country Parties shall provide transparent and consistent information on support for developing country Parties provided and mobilized through public interventions biennially in accordance with the modalities procedures and guidelines to be adopted by the Conference of the Parties serving as the meeting of the Parties to this Agreement, at its first session, as stipulated in Article 13, paragraph 13 and that other Parties are encouraged to do so.*

1. *Endorses* the modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Article 9, paragraph 7, applicable to the information to be reported under Article 13 of the Paris Agreement, as contained in annex I;
2. *Decides* that the modalities shall be applicable to the first biennial transparency report under the transparency framework;
3. *Acknowledges* the need for the review of the modalities, procedures and guidelines of the transparency framework for action and support, to take into account new developments and improvements over time of the modalities for modalities for the accounting of financial resources provided and mobilized through public interventions in the future.

#### Option 2:

Procedural decision, will be part of the Transparency Framework MPGs decision.

## Annex<sup>1</sup>

1. Developed country Parties shall provide information on financial support provided and mobilized through public interventions, and other Parties that provide support should provide information on financial support provided, to developing country Parties under Articles 9, 10 and 11. Developed country Parties shall use these modalities for the accounting of financial resources provided and mobilized through public interventions. Other Parties are encouraged use these modalities.

### **A. National circumstances, institutional arrangements and country-driven strategies**

2. Information on national circumstances and institutional arrangements relevant to reporting on the provision and mobilization of support, including:

- (a) Description of the systems and processes used to identify, track, and report on support provided and mobilized through public interventions;
- (b) Description of challenges and limitations;
- (c) Information on experience and good practices in relation to public policy and regulatory frameworks to incentivize further private climate financing and investment;
- (d) Efforts taken to enhance comparability and accuracy of information reported on financial support provided and mobilized through public interventions, such as through use of international standards or harmonization with other countries, institutions, and international systems.

### **B. Underlying assumptions, definitions and methodologies**

3. In order to enhance transparency of reporting, a description of the underlying assumptions, methodologies and definitions, as applicable, used to identify and/or report:

- (a) The chosen reporting year (calendar year, fiscal year);
- (b) The conversion between domestic currency and United States dollars;
- (c) The status (committed, disbursed);
- (d) The channel (bilateral, regional, multi-bilateral, multilateral);
- (e) The funding source (ODA, OOF, other);
- (f) The financial instrument (e.g. grant, concessional loan, non-concessional loan, equity, guarantee, insurance, other (specify));
- (g) Information on instruments and funding sources reported, including how a Party has determined finance to be concessional, and/or ODA, including by using information such as grant equivalency, institution, and /or instruments-based approaches;
- (h) The type of support (e.g. adaptation, mitigation, cross-cutting);
- (i) The sector;
- (j) The sub-sector;
- (k) Whether it supported capacity-building and/or technology development and transfer objectives;
- (l) The support as being climate-specific;
- (m) Information on the efforts taken to avoid double counting, including on:

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<sup>1</sup> This annex is to be incorporated into the modalities, procedures and guidelines for the transparency framework under Article 13 of the Paris Agreement.

- (i) How double counting among multiple Parties involved in the provision of support was avoided;
- (ii) How double counting among multiple Parties involved in the mobilization of private finance through public interventions was avoided, including the methodologies and assumptions used to attribute the mobilized resources through public interventions reported to the Party that reports them, if possible relative to the type of instrument used for the mobilization;
- (iii) How double counting was avoided between the resources reported as provided or mobilized, and the resources used under Article 6 by the acquiring Party for the use toward the achievement of its NDC;
- (iv) How support is attributed between multiple recipient countries, in cases where a project involves multiple recipient countries and where this information is reported on a country by country basis;
- (n) The definition of public and private finance, in particular where entities or funds are mixed;
- (o) How private finance was assessed as mobilized through public interventions, including by:
  - (i) Identifying a clear causal link between a public intervention and mobilized private finance, where the activity would not have moved forward, or moved forward at scale, in the absence of the Party's intervention;
  - (ii) Providing information on the point of measurement (e.g. point of commitment, point of disbursement) of the private finance mobilized as a result of the public intervention, to the extent possible in relation to the type of instrument or mechanism used for the mobilization;
  - (iii) Providing information on the boundaries used to identify finance as mobilized by public intervention;
- (p) How it seeks to ensure that support provided and mobilized through public interventions effectively addresses the needs and priorities of developing country Parties for the implementation of the Paris Agreement, as identified in country driven strategies and instruments, such as BTRs, NDCs and NAPs;
- (q) How it seeks to ensure that support provided and mobilized through public interventions is in line with the long-term goals of the Paris Agreement;
- (r) An indication of what new and additional financial resources have been provided, and how it has been determined that such resources are new and additional;
- (s) How the information provided reflects a progression from previous levels in the provision and mobilization of finance under the Paris Agreement;
- (t) Information on reporting on multilateral finance, including:
  - (i) Whether the multilateral finance reported is based on the Party's inflow contribution to a multilateral institution and/or on the basis of the Party's share in the outflow of the multilateral institution;
  - (ii) Whether and how multilateral finance has been reported as climate specific and how the climate-specific share was calculated, including by e.g. using existing international standards;
  - (iii) Whether multilateral finance has been reported as core/general, with the understanding that the actual climate finance amount it would transfer into, depends on the programming choices of the multilateral institutions;
  - (iv) Whether and how multilateral finance has been attributed to the reporting Party.

## **C. Information on financial support provided and mobilized through public interventions under Article 9 of the Paris Agreement**

### **1. *Bilateral, regional and other channels***

4. Relevant information, in tabular format, for the previous two reporting years without overlapping with the previous reporting periods, on bilateral and regional financial support provided, specifying:

- (a) Year (calendar year, fiscal year);
- (b) Amount (in United States dollars and domestic currency) (the face value and, on a voluntary basis, the grant-equivalent value);
- (c) Recipient, including, to the extent possible, information on the recipient region or country and the title of the project, programme, activity or other (specify);
- (d) Status (disbursed, committed);
- (e) Channel (bilateral, regional, multi-bilateral, other (specify));
- (f) Funding source (ODA, OOF, other (specify));
- (g) Financial instrument (e.g. grant, concessional loan, non-concessional loan, equity, guarantee, insurance, other (specify));
- (h) The type of support (e.g. adaptation, mitigation, or cross-cutting);
- (i) Sector (e.g. energy, transport, industry, agriculture, forestry, water and sanitation, cross-cutting, other (specify));
- (j) Sub-sector, as available and to the extent possible;
- (k) Additional information (such as project/programme details, implementing agency and to the extent possible, link to relevant project/programme documentation);
- (l) Whether it contributes to capacity-building and/or technology development and transfer objectives, as available;

### **2. *Multilateral channels***

5. Relevant information, in tabular format, for the previous two reporting years without overlapping with the previous reporting periods, on financial support provided through multilateral channels, specifying:

- (a) Year (calendar year, fiscal year);
- (b) Donor funding per institution (multilateral fund, the operating entities of the Financial Mechanism, entities of the Technology Mechanism, multilateral financial institution, international organization, other (specify));
- (c) Amount (in United States dollars and domestic currency) (the face value and, on a voluntary basis, the grant-equivalent value);
- (d) Core-general or climate-specific, as applicable;
- (e) Inflows and/or outflows, as applicable;
- (f) Recipient (e.g. country, region, global, project, programme, activity, other (specify)), as applicable, as available;
- (g) Status (disbursed, committed);
- (h) Channel (multilateral, multi-bilateral), as applicable;
- (i) Funding source (ODA, OOF, other (specify));
- (j) Financial instrument (e.g. grant, concessional loan, non-concessional loan, equity, guarantee, insurance, other (specify));
- (k) The type of support (e.g. adaptation, mitigation, or cross-cutting);

(l) Sector (e.g. energy, transport, industry, agriculture, forestry, water and sanitation, cross-cutting, other (specify)), as applicable;

(m) Sub-sector, as applicable, as available;

(n) Whether it contributes to capacity-building and/or technology development and transfer objective, as applicable, as available;

**3. *Information on finance mobilized through public interventions***

6. Relevant information, in textual and/or tabular format, for the previous two reporting years without overlapping with the previous reporting periods, on support mobilized through public interventions through bilateral, regional and multilateral channels, including the operating entities of the Financial Mechanism and entities of the Technology Mechanism, as applicable and to the extent possible:

(a) Year (calendar year, fiscal year);

(b) Amount (in United States dollars and domestic currency) (the face value and, on a voluntary basis, the grant-equivalent value, if applicable);

(c) Amount of resources used to mobilize the support (in United States dollars and domestic currency), if applicable;

(d) Type of public intervention used to mobilize the support reported (e.g. grant, concessional loan, non-concessional loan, equity, policy intervention, capacity-building, technology development and transfer, technical assistance);

(e) Recipient (country, region, global, project, programme, activity, other (specify));

(f) Channel (bilateral, regional, multilateral);

(g) The type of support (e.g. adaptation, mitigation, or cross-cutting);

(h) Sector (e.g. energy, transport, industry, agriculture, forestry, water and sanitation, cross-cutting, other (specify));

(i) Sub-sector;

(j) Additional information.