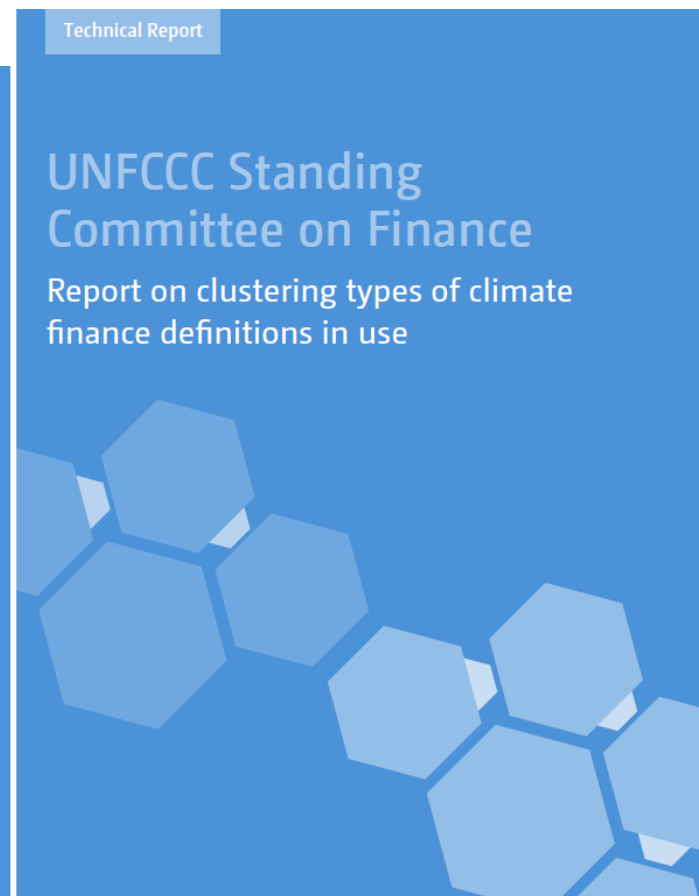


Report on clustering types of climate finance definitions in use

Co-facilitators: Diann Black-Layne and Apollonia Miola



United Nations
Framework Convention on
Climate Change

BACKGROUND AND APPROACH

- Decision 14/CP.27, paragraph 11,
Requests the SCF to prepare a report for consideration at COP 28, building on the work of the SCF on definitions of climate finance, on clustering types of climate finance definition in use that could be considered within the UNFCCC process, including with a view to updating the operational definition of climate finance of the SCF, as appropriate, and supporting Parties in their national reporting efforts, and invited Parties and external stakeholders to make further submissions thereon via the submission portal by 30 April 2023

- Report structure

Updated synthesis of views

Clustering definitions
(guidebook)

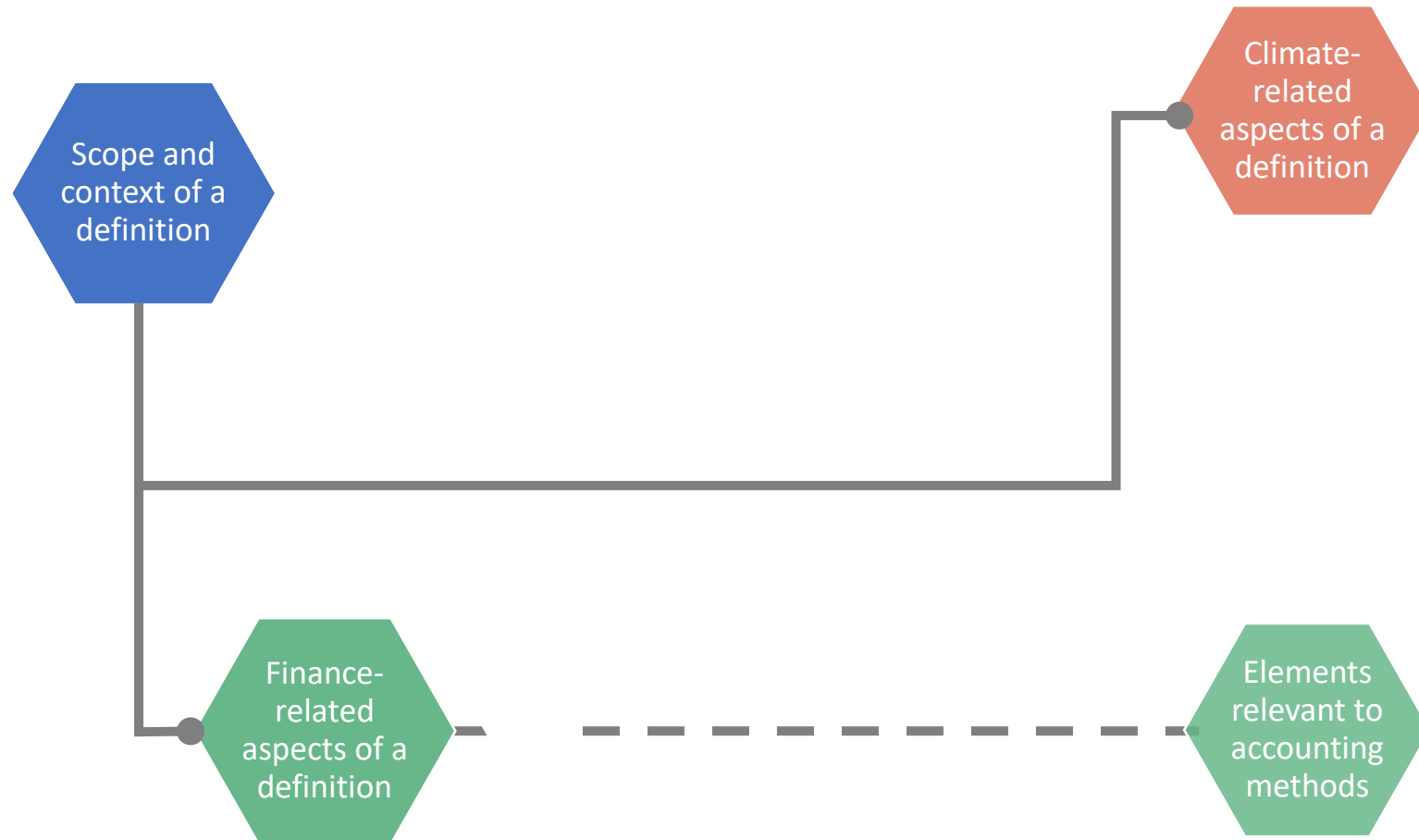
Updating the SCF operational
definition



- **21 submissions from Parties and 5 from non-Party stakeholders** since 2020. Four new submissions in 2023
- New submissions included further information on **national examples** and **two further proposed definitions**
- **Views differ in several areas**
 - Whether a common definition or multiple definitions are possible
 - Coverage and scope
 - Sources of finance
 - Financial instruments

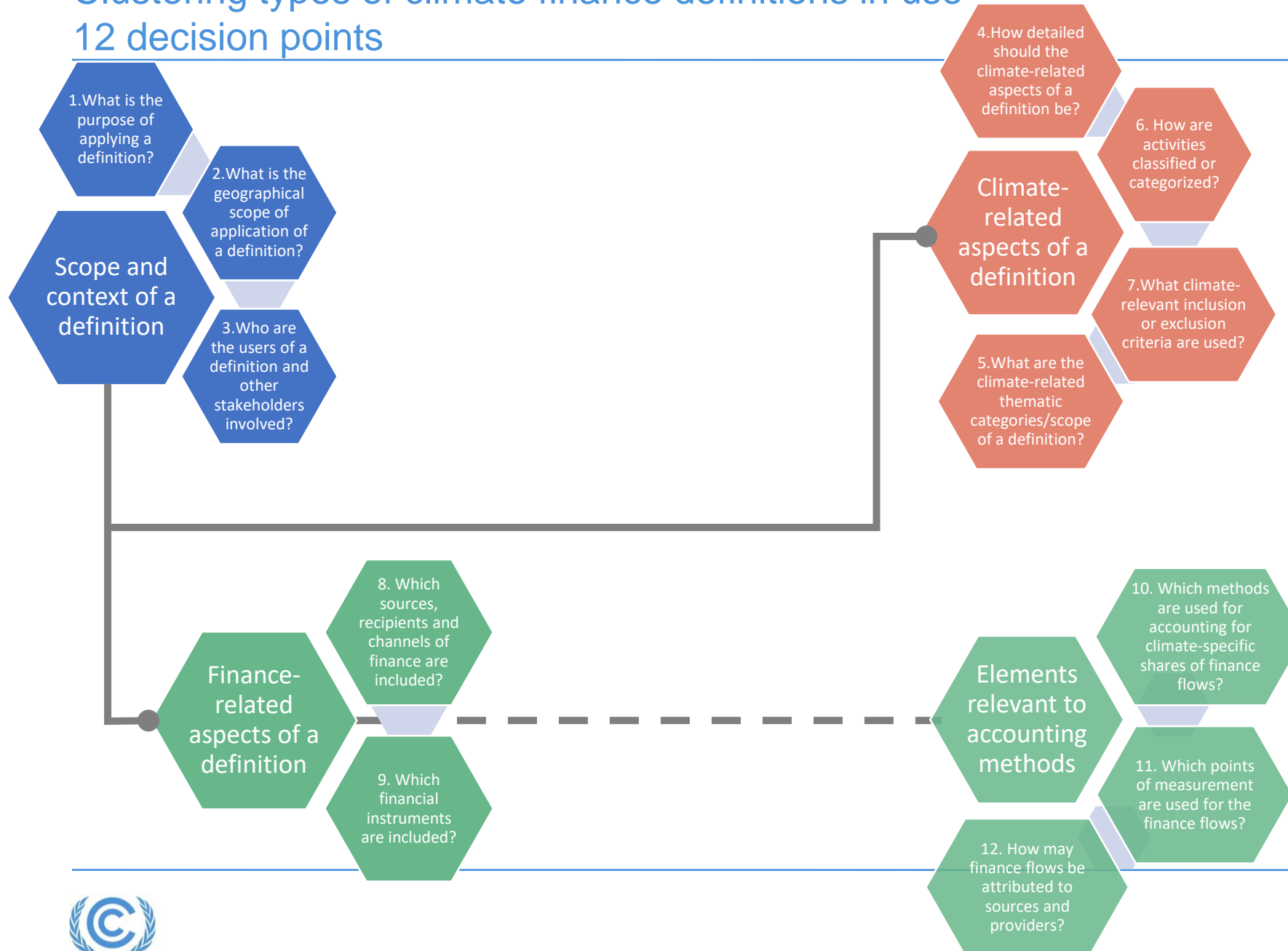
Clustering types of climate finance definitions in use

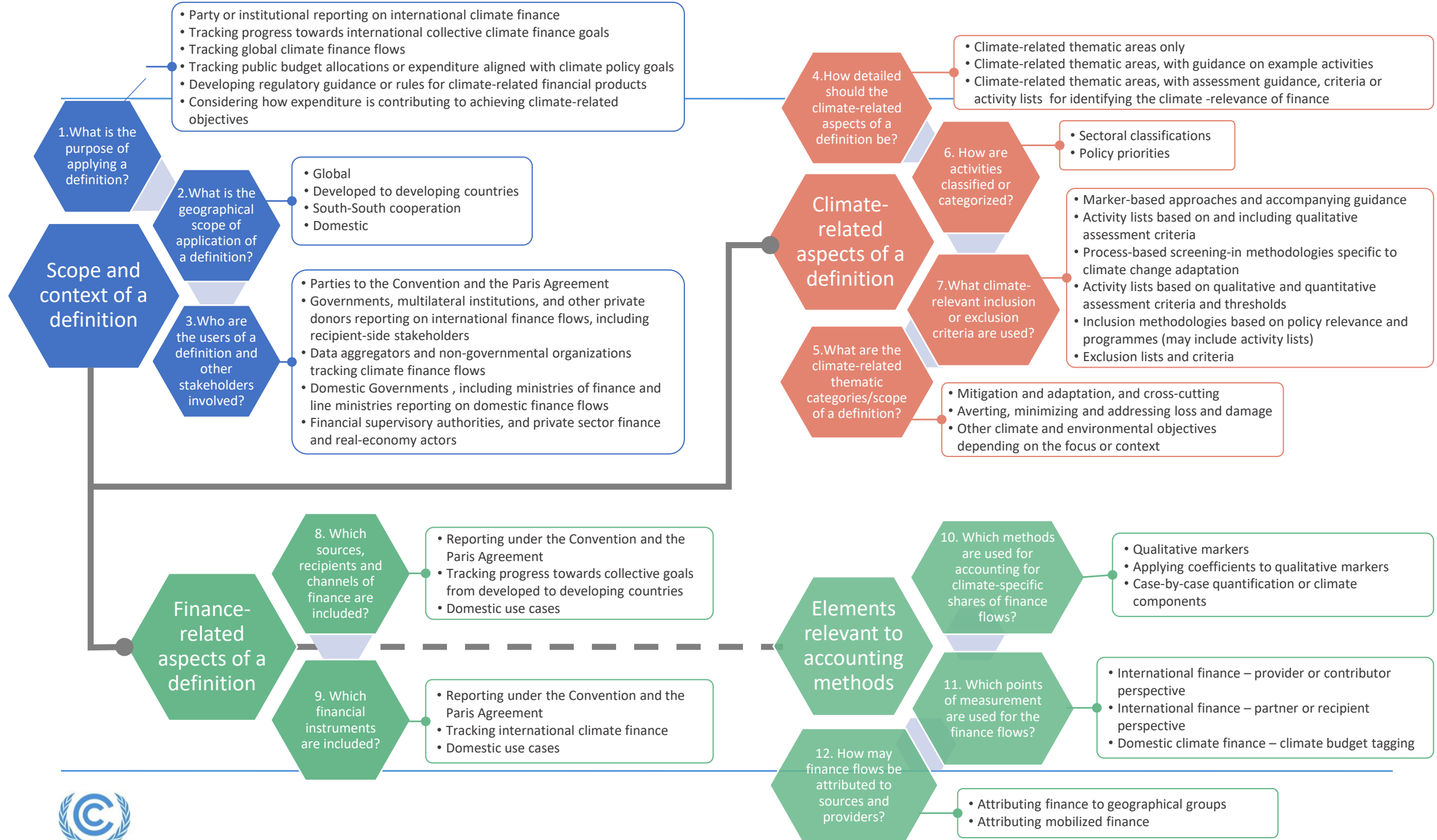
Four clusters of elements



Clustering types of climate finance definitions in use

12 decision points





“Climate finance aims at reducing emissions and enhancing sinks of greenhouse gases and aims at reducing vulnerability of, and maintaining and increasing the resilience of, human and ecological systems to negative climate change impacts”

2014 BA by the SCF

Members discussed various potential elements of an update, for example:

- Including addressing **loss and damage**
- Capturing the **bottom-up nationally determined** nature of climate action
- Referencing the **goals of the Paris Agreement** and the overall **objective of the Convention**
- The view that an update was **unnecessary**
- Discussing an update in the **context of the 6th BA**

3 non-exhaustive options listed in the report

