

This document has been prepared by the co-facilitators of the SBSTA agenda item 13 under their own responsibility as mandated by Parties. The draft text integrates the CRP by G77 and China and the submission by US, Australia, Japan received in this session, taking into account Parties views reflected in the informal note from the last session. This doesn't imply consensus and is without prejudice to the SBSTA 48.2 conclusions. The usage of brackets throughout the document does not imply proposals with greater or lesser consensus. It is meant as an invitation from co-facilitators to focus discussions where we believe additional deliberation might be needed, on the basis of inputs received and statements by Parties.

DRAFT

COP/CMA Decision

Option 1:

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;

Further recalling Articles 2, 3, 4, 7, 8, 9, 10, 11, 13 of the Paris Agreement

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 included in Annex I to this decision,
2. *Decides* that these modalities shall be applicable as of the first report of developed country Parties under the transparency framework.
3. *Encourages* other Parties that provide support to implement these modalities when voluntarily reporting such support, if applicable and to the extent possible.

Option 2:

The below annex would be adopted by the CMA in the decision adopting the transparency MPGs, and not as a standalone CMA decision. This would ensure that the guidance is coherent with the rest of the MPGs. Under the current APA5 tool, it would be included as part of Section E of the MPGs.

Annex

Option 1:

4. These modalities shall be applicable as of the first report of developed country Parties under the transparency framework.
5. Other Parties that provide support should implement these modalities when voluntarily reporting such support, if applicable and to the extent possible.

Option 2:

6. Parties that provide support will provide information on financial support provided and mobilized to developing country Parties under Article 9, consistent with paragraph 9 of Article 13 and paragraph 7 of Article 9.

National circumstances, institutional arrangements and country-driven strategies

7. Reporting Parties should provide information on national circumstances and institutional arrangements relevant to reporting on the provision and mobilization of support, such as a description of the systems and processes used by Parties to identify, track, and report on support provided and mobilized, including a description of the challenges and limitations.

Cross-cutting underlying assumptions, definitions, and methodologies

8. In order to enhance transparency on reporting, each reporting Party [should][shall] describe its underlying assumptions, methodologies and definitions used in reporting [, as applicable and available,] including those used to:
 - a. report in the chosen reporting year [, including methodology used to calculate annualized information]
 - b. [identify and report both face value and grant-equivalent value]
 - c. identify and report support as being a “grant,” “concessional loan,” “non-concessional loan,” “equity,” “guarantee,” “insurance,” or “other financial instrument.”
 - d. [identify and report net finance provided, in case where loan repayments by recipient countries the period of reporting is done]
 - e. convert between domestic currency and USD
 - f. identify and report status (i.e., committed, disbursed) [, including official documentation.]
 - g. identify and report the channel (i.e., bilateral, regional, multilateral.)
 - h. identify and report support as being “climate-specific.”
 - i. [identify and report support as coming from the specified sources (i.e., ODA, OOF, or other.)]

- j. identify and report support as being “adaptation,” “mitigation,” or “cross-cutting,” [“loss and damage”].]
- k. identify and report sectors.
- l. [identify and report sub-sectors.]
- m. identify and report support as going to the recipient.
- n. identify and report whether it supported capacity-building and technology-transfer objectives [, including the share of support that contributes to this objective.]
- o. avoid double counting among multiple Parties involved in the provision and mobilization of support
- p. identify and report resources as provided
- q. identify and report finance as being mobilized (i.e., those related to assumptions establish causality between a public intervention and mobilized finance, [including evidence,] boundaries, time-period, [leveraging factor per type of public intervention reported])
- r. [identify how resources are considered to implement Paris Agreement efforts in developing countries]
- s. [identify and report how support is considered new and additional and how it represents a progression from previous levels]
- t. [identify and report how support has been targeted at NDCs/NAPs/country needs, including for loss and damage, and how it has facilitated the implementation of the Paris Agreement.]
- u. [identify and report how resources are consistent with Article 2.1(c) and contribute to the fulfillment of finance goals]
- v. [report on outflows through multilateral channels to developing country Parties, including methodologies, information from financial institutions by financial instrument and recipient]
- w. [criteria used by Parties and international financial institutions to identify contributions and outflows as being climate specific]
- x. [how information submitted was mutually agreed/cross-checked with recipients before submitting]
- y. [identify and report the amount of funding disbursed per each beneficiary country, in cases where a project involves more than one country.]
- z. [calculate the amount of resources provided to mobilize support]
- aa. [report qualitative information such as good practices on public policy and regulatory frameworks to incentivize further private climate financing and investments]
- bb. [Identify and report on how the resources used through emission trading schemes with developing countries were not counted as support provided or mobilized.]

Information on financial support provided and mobilized under Article 9

9. Reporting Parties [shall] [should] include, for the previous two reporting years without overlapping with the previous reporting periods, relevant information on bilateral and regional financial support provided, specifying [, as applicable and available]:
 - a. Year (i.e., calendar year, fiscal year)
 - b. Amount (i.e., in USD and domestic currency)
 - c. Status (i.e., disbursed, committed)
 - d. Channel (i.e., bilateral, regional)
 - e. [Source (i.e., ODA, OOF, and other)]
 - f. Type of support (i.e., mitigation, adaptation, cross-cutting, [loss and damage].)
 - g. Financial instrument (e.g., grant, concessional loan, non-concessional loan, equity, guarantee, insurance, other (specify).)
 - h. Sector (i.e., energy, transport, industry, agriculture, forestry, water and sanitation, cross-cutting, other (specify))
 - i. [Sub-sector]
 - j. Recipient (e.g. country, region, global, project, programme, activity, other (specify))
 - k. Whether it contributes to technology development and transfer objectives (i.e., yes or no) [, including the share of support that contributes to this objective.]
 - l. Whether it contributes to capacity building objectives (i.e., yes or no) [, including the share of support that contributes to this objective.]
 - m. Additional information.
 - n. [Transaction and overhead costs, loan repayments and return on investments]

10. Reporting Parties [shall][should] also include, for the previous two reporting years without overlapping with the previous reporting periods, relevant information on financial support provided through multilateral channels, including the Operating Entities of the Financial Mechanism, specifying [, as applicable and to the extent possible]:
 - a. Year (i.e., calendar year, fiscal year)
 - b. Institution
 - c. [Recipient (e.g. country, region, global, project, programme, activity, other (specify))]
 - d. Amount (i.e., in USD and domestic currency)
 - e. Status (i.e., disbursed, committed)
 - f. [Source (i.e., ODA, OOF, and other)]
 - g. [Nature (i.e., core/general, climate-specific), as appropriate]
 - h. Type of support (i.e., mitigation, adaptation, cross-cutting, [loss and damage].)

- i. Financial instrument (e.g., grant, concessional loan, non-concessional loan, equity, guarantee, insurance, other (specify).)
 - j. Sector (i.e., energy, transport, industry, agriculture, forestry, water and sanitation, cross-cutting, other (specify)).
 - k. [Sub-sector]
 - l. [Transaction and overhead costs, loan repayments and return on investments]
 - m. [Whether it contributes to technology development and transfer objectives (i.e., yes or no) [, including the share of support that contributes to this objective.]]
 - n. [Whether it contributes to capacity building objectives (i.e., yes or no) [, including the share of support that contributes to this objective.]]
11. Recognizing the important role of climate-specific support mobilized through public interventions, as referred to in Article 9, paragraph 3, Parties [shall][should] report, for the previous two reporting years without overlapping with the previous reporting periods, relevant information on support mobilized through public interventions through bilateral, regional and multilateral channels, including the Operating Entities of the Financial Mechanism, specifying [, as applicable and to the extent possible]:
- a. Year (i.e., calendar year, fiscal year)
 - b. Amount [(i.e., in USD and domestic currency)]
 - c. [Amount of resources used to mobilize the support (i.e., in USD and domestic currency)]
 - d. Recipient [(e.g. country, region, global, project, programme, activity, other (specify))]
 - e. [Type of public intervention used to mobilize the support reported (i.e., grant, concessional loan, non-concessional loan, equity, policy intervention, capacity building, technology transfer, technical assistance)]
 - f. Type of support [i.e., mitigation, adaptation, cross-cutting, [loss and damage].)]
 - g. Sector [(i.e., energy, transport, industry, agriculture, forestry, water and sanitation, cross-cutting, other (specify)).]
 - h. [Sub-sector]
 - i. [Recipient country share of mobilization]
 - j. Additional information
 - k. [Good practice and public policies/ regulatory framework]

Reporting format

12. A common tabular reporting format shall be developed to facilitate [reporting on] [the accounting of] financial resources provided and mobilized through public interventions in accordance with Article 9, paragraph 7 of the Paris Agreement.

13. Requests the Subsidiary Body for Scientific and Technological Advice to develop the common tabular format referenced in paragraph [x] above for consideration by the Conference of the Parties Serving as the Meeting of the Parties to the Paris Agreement by no later than its [x] session.
14. Reporting Parties should report the information referenced in [section][paragraph][(s) [x]] above in a common tabular format and the information referenced in [section][paragraph][(s) [x] and [y]] above in a summary narrative format.