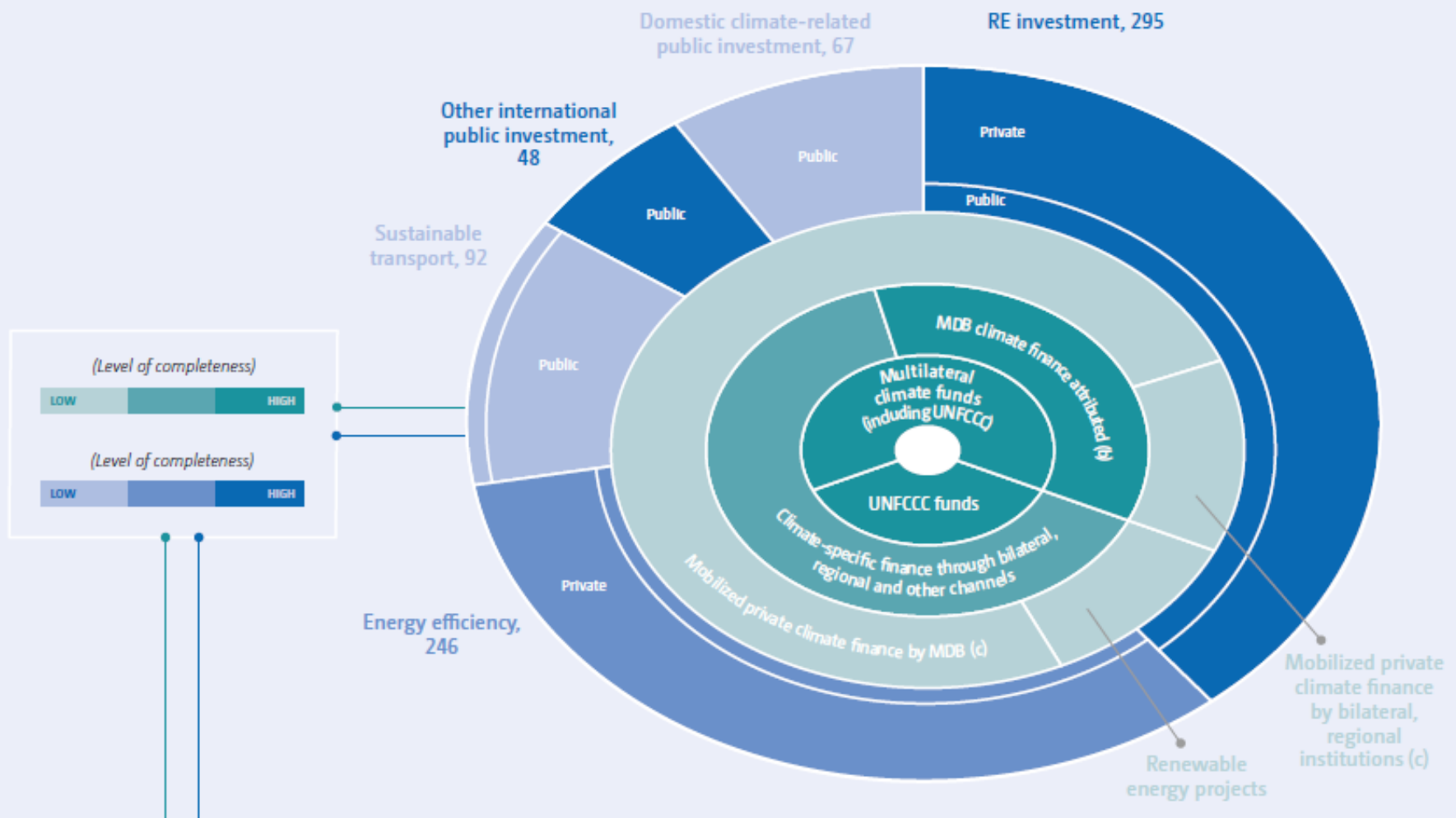


Presentation on the key findings and recommendations of the 2018 BA



Key findings: Climate finance flows in the period 2015–2016

Climate finance flows in the period 2015–2016 (Billions of United States dollars, annualized)



Key findings: Climate finance flows in the period 2015–2016 (continued)

		2015 (USD billion face value)	2016 (USD billion face value)	Sources of data and relevant chapter
Global total flows	Renewable energy investments	320.9	269.5	Chapter 2.2.1
	Public investment	61.7	52.3	CPI based on multiple sources
	Private investment	259.2	217.1	
	Energy efficiency investments	233.9	257.8	Chapter 2.2.2
	Public investment	25.7	32.9	IEA Energy Efficiency Market Reports/CPI
	Private investment (a)	208.2	224.9	
	Sustainable transport	78.0	105.8	Chapter 2.2.3
	Public investment	69.7	92.5	IEA World Energy Investment Report/CPI
	Private investment	8.3	13.3	
Other sectors public investment	47.3	47.5	Chapter 2.2.2 – 2.2.5 CPI based on multiple sources	
Domestic climate-related public investment	67.0	67.0	Chapter 2.3 BURs, CPEIRs (UNDP), I4CE	
Flows to non-Annex I Parties	UNFCCC funds	0.6	1.6	Chapter 2.5.2 Fund financial reports, CFU
	Multilateral climate funds (including UNFCCC)	1.4	2.4	Chapter 2.5.2 Fund financial reports, CFU
	Climate-specific finance through bilateral, regional and other channels	29.9	33.6	Chapter 2.5.1 Annex II Party Biennial Reports
	MDB climate finance attributed (b)	17.4	19.7	Chapter 2.5.2
	Renewable energy projects	2.4	1.5	Chapter 2.5.4 CPI based on multiple sources
	Mobilized private climate finance by MDB (c)	10.9	15.7	Chapter 2.5.4 MDB Joint Reports
	Mobilized private climate finance by bilateral, regional institutions (c)	2.3		Chapter 2.5.4 OECD



Key findings: Assessment of climate finance flows I

	Annual average USD billion	Area of support				Financial instrument		
		Adaptation	Mitigation	REDD-plus ^a	Cross-cutting	Grants	Concessional loans	Other
Multilateral climate funds ^b	1.9	25%	53%	5%	17%	51%	44%	5%
Bilateral climate finance ^c	31.7	29%	50%	–	21%	47%	52%	<1%
MDB climate finance ^d	24.4	21%	79%	–	–	9%	74%	17%

- ❑ Support for mitigation remains greater than support for adaptation across these flows, noting measurement differences
- ❑ Grants continue to be a key instrument for adaptation finance in concessional bilateral climate-related finance flows and through multilateral climate change funds (9% of adaptation finance through the MDBs was grant based in the same period)
- ❑ Asia (collectively) remains the principal recipient region of public climate finance flows, followed by Latin America and the Caribbean and sub-Saharan Africa

Adaptation finance in concessional bilateral climate-related flows:



Adaptation finance in multilateral climate change fund flows:



Key findings: Assessment of climate finance flows II

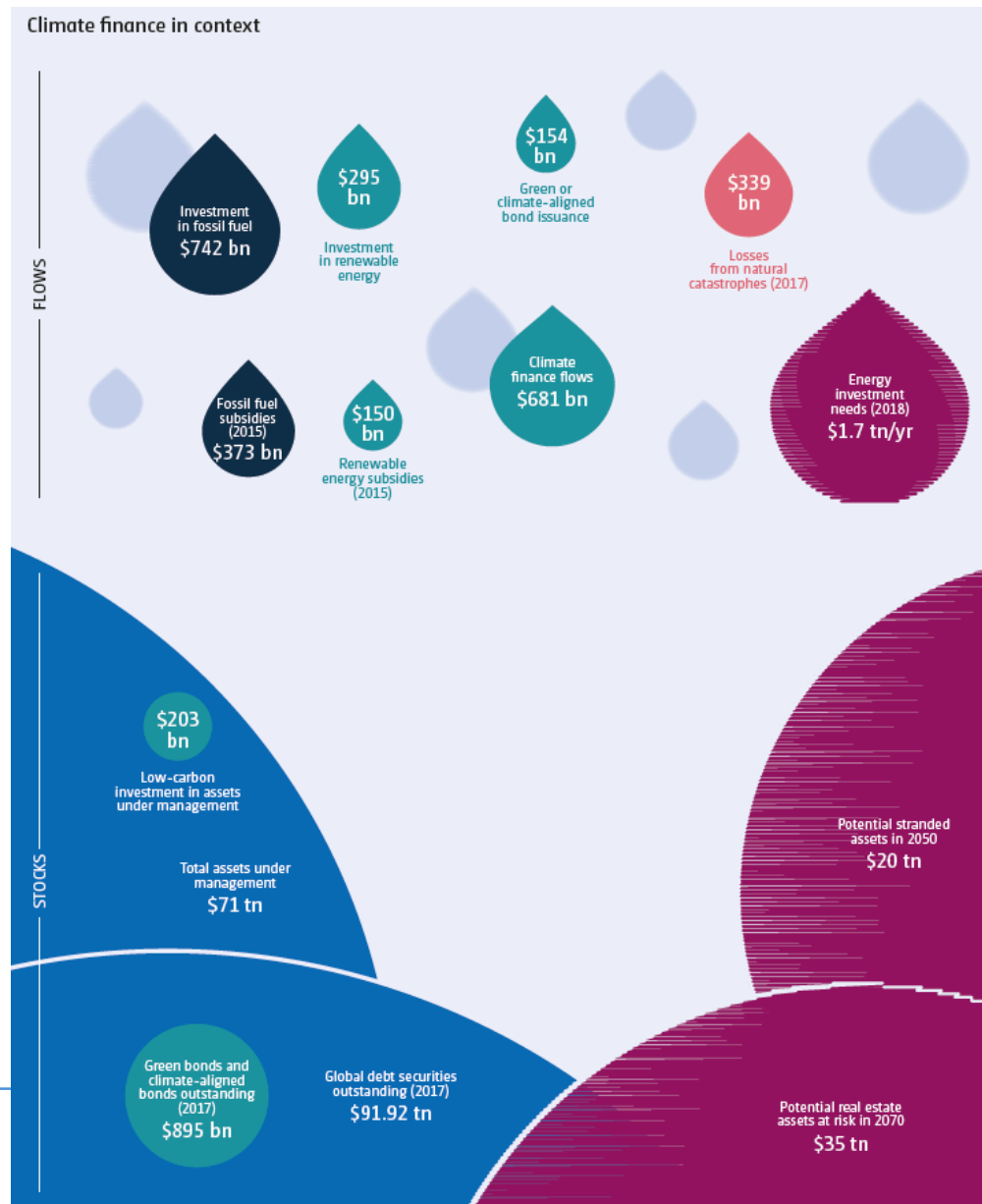
- **Ownership remains a critical factor in the delivery of effective climate finance.** There have been a number of efforts to build capacity to access and make strategic choices about how to use finance and oversee implementation.
- **Developing country institutions are increasingly able to meet fiduciary and environmental and social safeguard requirements for accessing multilateral climate change funds.** There has been a notable increase in the number of regional and national implementing entities to the multilateral climate funds, despite large amounts remaining programmed through multilateral entities.
- **Mechanisms for monitoring the impact of climate finance have improved, albeit not uniformly.** Thus, although the reporting of results (in terms of outputs) has increased, it is difficult to assess properly the quality of the impacts achieved (i.e. outcomes).



Key findings: Climate finance in context

Climate finance in context:

- A sole focus on climate finance flows is insufficient in the post Paris world: while climate finance must obviously be scaled up, it is also important to ensure consistency of all flows and stocks, with the Article 2.1 (c) of the PA.
- Clear momentum can be seen towards strengthening the global response to the threat of climate change in financial systems and broader financial flows, such as investment and lending policy of both public and private sector actors, shifting regulatory and fiscal policy and improved climate information to guide investment decision-making.
- There remains more work to be done on building a common understanding of Article 2.1.c.



Recommendations: Methodologies

- a) Request developed country Parties and encourage developing country Parties, building on progress made so far & ongoing work, to continue enhancing the transparency, consistency & comparability of data on climate finance provided & mobilized through public interventions, & taking into consideration developments in relevant organizations & institutions;
- b) Encourage Parties providing climate finance to enhance their reporting of climate finance provided to developing country Parties;
- c) Invite Parties, through their board memberships in international financial institutions, to encourage continued efforts in the harmonization of methodologies for tracking & reporting climate finance among international organizations;
- d) Encourage developing country Parties, building on progress made so far and ongoing work, to consider, as appropriate, enhancing their reporting on the underlying assumptions, definitions & methodologies used in generating information on financial, technical & capacity-building needs & support received;



Recommendations: Overview

- e) Encourage Parties, building on progress made so far, to enhance their tracking and reporting on climate finance flows from all sources;
- f) Encourage developing country Parties that provide support to report information on climate finance provided to other developing country Parties;
- g) Encourage developed countries and climate finance providers, as well as multilateral and financial institutions, private finance data providers and other relevant institutions, to enhance the availability of granular, country-level data on mitigation and adaptation finance, inter alia, transport, agriculture, forests, water and waste;
- h) Invite private sector associations and financial institutions to build on the progress made on ways to improve data on climate finance and to engage with the SCF, including through their participation in the forums of the SCF with a view to enhancing the quality of the BA;
- i) Request the SCF to continue its work in the mapping of available data sets that integrate climate change considerations into insurance, lending and investment decision-making processes, and to include information relevant to Article 2, paragraph 1(c), of the Paris Agreement in future BAs;



Recommendations: Assessment

- j) Invite Parties to strive for complementarity between climate finance and sustainable development by, inter alia, aligning climate finance with national climate change frameworks and priorities, as well as broader economic development policies and national budgetary planning;
- k) Encourage developing countries to take advantage of available resources through the operating entities of the Financial Mechanism to strengthen institutional capacity for programming their priority climate action, as well as tracking climate finance, effectiveness and impacts;
- l) Encourage developed countries and climate finance providers to continue to enhance country ownership and consider policies to balance funding for adaptation and mitigation, taking into account beneficiary country strategies, and, in line with the mandates, building on experiences, policies and practices of the operating entities of the Financial Mechanism, particularly the GCF;
- m) Encourage climate finance providers to improve tracking and reporting on gender-related aspects of climate finance, impact measuring and mainstreaming;



Recommendations: Assessment

- n) Invite, as in the 2016 BA, multilateral climate funds, MDBs, other financial institutions and relevant international organizations to continue to advance work on tracking and reporting on impacts of mitigation and adaptation finance;
- o) Encourage all relevant United Nations agencies and international, regional and national financial institutions to provide information to Parties through the secretariat on how their development assistance and climate finance programmes incorporate climate-proofing and climate resilience measures, in line with new available scientific information;
- p) Request the SCF, in preparing future BAs, to continue assessing available information on the alignment of climate finance with investment needs and plans related to Parties' NDCs and national adaptation plans;
- q) Request the SCF, in preparing the 2020 BA, to take into consideration available information relevant to Article 2 of the Paris Agreement.



THANK YOU

