Statement by Iran on behalf of LMDC

The provision of support in the pre-2020 period

1. The pre-2020 mitigation ambition gap needs to be addressed by Annex I Parties in two ways: (1) ratifying the Doha Amendment, and (2) removing the conditionalities they have included in their Cancun pledges and increasing their pre-2020 mitigation ambition. The Pre-2020 Synthesis Report prepared by the Secretariat should have clearly noted that Annex I Parties have not revisited nor revised their pre-2020 Cancun pledges with the view to increasing their ambition, notwithstanding that the Paris Agreement was agreed to and has entered into force. Should they be unable to do so, such gap in ambition should be addressed by increasing their ambition in their post-2020 NDCs.

2. The pre-2020 adaptation support gap also needs to be addressed by Annex II developed country Parties in the post-2020 period, in fulfilment of their obligations under Art. 4.4 of the Convention and Art. 7.13 of the Paris Agreement. This should include providing additional funding from Annex II Parties to the Adaptation Fund in order to increase its ability to scale up adaptation funding to developing countries.

3. The pre-2020 financing gap needs to be addressed by Annex II developed country Parties so as to meet their pre-2020 mobilization commitment of USD100 billion a year by 2020. The focus should be on increasing resources coming from developed countries' public finances rather than shifting the burden to private sector finance mobilization. This is because under the Convention, the commitment and obligation to provide financing rests on Annex II Parties rather than on their private sector. This will also help ensure greater levels of accountability and transparency in terms of the provision of financing.

4. The pre-2020 technology transfer gaps needs to be addressed by developed country Parties. The work of the TEC and the CTCN, while important and useful, are simply insufficient to trigger the quantity and quality of technology development and transfer needed to support developing countries in undertaking mitigation and adaptation actions in the pre- and post-2020 periods. The technology gap should be filled by developed countries through the use of domestic policy measures such as relaxation of intellectual property rights for patented climate technologies, increased support for skills trainings for developing country experts, and the sharing of knowledge and expertise on climate technologies.

5. These pre-2020 implementation gaps in mitigation, adaptation, finance and technology transfer form part of the foundation on which the Paris Agreement will be implemented beginning in 2021. Hence, the extent to which these pre-2020 implementation gaps have been addressed by developed country Parties should form part of the assessment that will be undertaken in the first Global Stocktake (GST) in 2023. This would be consistent with Art. 14.1 of the Paris Agreement which states, inter alia, that the GST would be undertaken "in the light of equity" – reflecting pre-2020 implementation gaps and how these have been addressed (or not) makes the GST assessment fair and comprehensive, and would provide Parties with a complete picture of what needs to be done and who needs to do more on the basis of historical responsibilities for unfulfilled commitments.

Finance section of pre2020 stocktake

Under Art. 4.3 of the Convention, Annex II Parties are committed to provide the agreed full incremental cost for non-Annex I parties' implementation of the Convention. In 2010 in Cancun, developed countries committed to jointly mobilize, from a variety of sources, in the context of meaningful mitigation action, USD 100 billion a year by the year 2020.

Meeting the USD100 billion mobilization commitment by 2020: Information from the 2018 Biennial Assessment on Climate Finance by the SCF

(a) Flows from Annex II Parties to non-Annex I Parties as reported in biennial reports

Climate-specific finance reported in BRs submitted by Annex II Parties has increased in terms of both volume and rate of growth since the previous BA. Whereas the total finance reported increased by just 5 per cent from 2013 to 2014, it increased by 24 per cent from 2014 to 2015 (to USD 33 billion), and subsequently by 14 per cent from 2015 to 2016 (to USD 38 billion). Out of these total amounts, USD 30 billion in 2015 and USD 34 billion in 2016 were reported as climate-specific finance channelled through bilateral, regional and other channels; the remainder flowed through multilateral channels. From 2014 to 2016, both mitigation and adaptation finance grew in more or less equal proportions, namely by 41 and 45 per cent, respectively.

(b) Multilateral climate funds

Total amounts channelled through UNFCCC funds and multilateral climate funds in 2015 and 2016 were USD 1.4 billion and USD 2.4 billion, respectively. The significant increase from 2015 to 2016 was a result of the Green Climate Fund (GCF) ramping up operations. On the whole, this represents a decrease of approximately 13 per cent compared with the 2013–2014 biennium and can be accounted for by a reduction in the commitments made by the Climate Investment Funds, in line with changes in the climate finance landscape as the GCF only started to scale up operations in 2016.

(c) Climate finance from multilateral development banks

MDBs provided USD 23.4 billion and USD 25.5 billion in climate finance from their own resources to eligible recipient countries in 2015 and 2016, respectively. On average, this represents a 3.4 per cent increase from the 2013–2014 period. The attribution of MDB finance flows to members of OECD-DAC, minus the Republic of Korea, is calculated at up to USD 17.4 billion in 2015 and USD 19.7 billion in 2016 to recipients eligible for OECD-DAC official development assistance.

Overall, trends in climate finance point to increasing flows towards beneficiary countries. Bilateral climate finance flows, and those channelled through MDBs, have increased since the 2016 BA, whereas flows from the multilateral climate funds have fluctuated, having decreased in 2015 before rebounding in 2016, although the average remains lower than in the 2013–2014 period, which reflects changes in the climate finance landscape.

When considering these flows in aggregate, support for mitigation remains greater than support for adaptation across all sources (noting, however, measurement differences). Bilateral finance flows from OECD-DAC providers had the greatest proportion intended for adaptation (29 per cent) in the period 2015–2016, followed by multilateral climate funds (25 per cent) and MDBs (21 per cent). However, the 2018 BA finds an increase in public climate finance flows that contributes towards both adaptation and mitigation from both bilateral contributors and multilateral climate funds. This makes it more difficult to track the progress made in ramping up adaptation finance.

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