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Data sources for tracking progress towards the NCQG

Seventh Technical Expert Dialogue under the Ad Hoc Work Programme on the New Collective Quantified Goal on Climate Finance

Overview of transparency arrangements in order to track progress towards achieving the goal

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What makes a good tracking system?

- Tracking progress in a transparent manner is important to both **inform more effective financing and policy actions**, as well as to **build trust amongst Parties**.

Granular information

Machine-readable data

Standardised fields

Regular updates

Open access



The role of the Enhanced Transparency Framework in NCQG tracking

Required for developed country Parties
Requested for other Parties providing support

Requested for developing country Parties

International Public Finance

Bilateral, regional and other channels

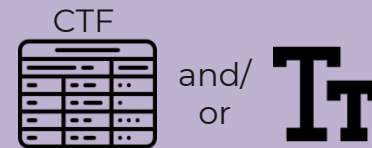


Multilateral channels
(inflows and outflows)



Private Finance

Private mobilised through public interventions



Financial support received



Use, impacts, and estimated results



Perspective on key challenges with the ETF



1. Data inconsistencies

Different Parties adopt different reporting approaches, in terms of e.g.:

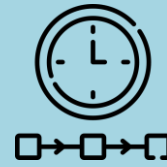
- Point of measurement
 - Exchange rates
- Climate-specific amounts



2. Data gaps

Depending on the NCQG scope, some sources may not be covered by ETF, e.g.:

- Private finance mobilised by multilaterals
 - Export Credits
- (Other Parties providing / mobilising finance)
- (Private finance more broadly)



3. Timeline of data availability

BTRs are due by December of even years.

There will be a 3-4 year time lag in availability of data.



Examples of data inconsistencies in the current set of Common Tabular Formats

→ Different Parties adopt different reporting approaches, in terms of e.g.: Point of measurement; Exchange rates; Climate-specific amounts

<i>Recipient country/ region/project/programme^b</i>	<i>Total amount</i>		<i>Status^{c, 3}</i>	<i>Funding source^{e, 4}</i>	<i>Financial instrument^{e, 3}</i>	<i>Type of support^{e, 4}</i>	<i>Sector^{d, e, 7}</i>
	<i>Climate-specific^{f, 2}</i>						
	<i>NAT</i>	<i>USD</i>					
Democratic Republic of Congo	100,000.00	100,000.00	disbursed	ODA	Grant	Adaptation	Agriculture, forestry, other

↓ Difficult to automate aggregation/
analyse free text strings

- Congo, Dem Rep of
- Congo DR
- Congo Rep of
- Congo, Republic of
- Congo, Democratic Republic of
- Congo, the Democratic Republic

Easy to aggregate / analyse
(quantitative data and nominal data)

↓ Difficult to aggregate /
analyse

- Agroforestry
- Agriculture and forests
- Agriculture and forestry
- Agriculture/Forestry
- 31110
- 31210

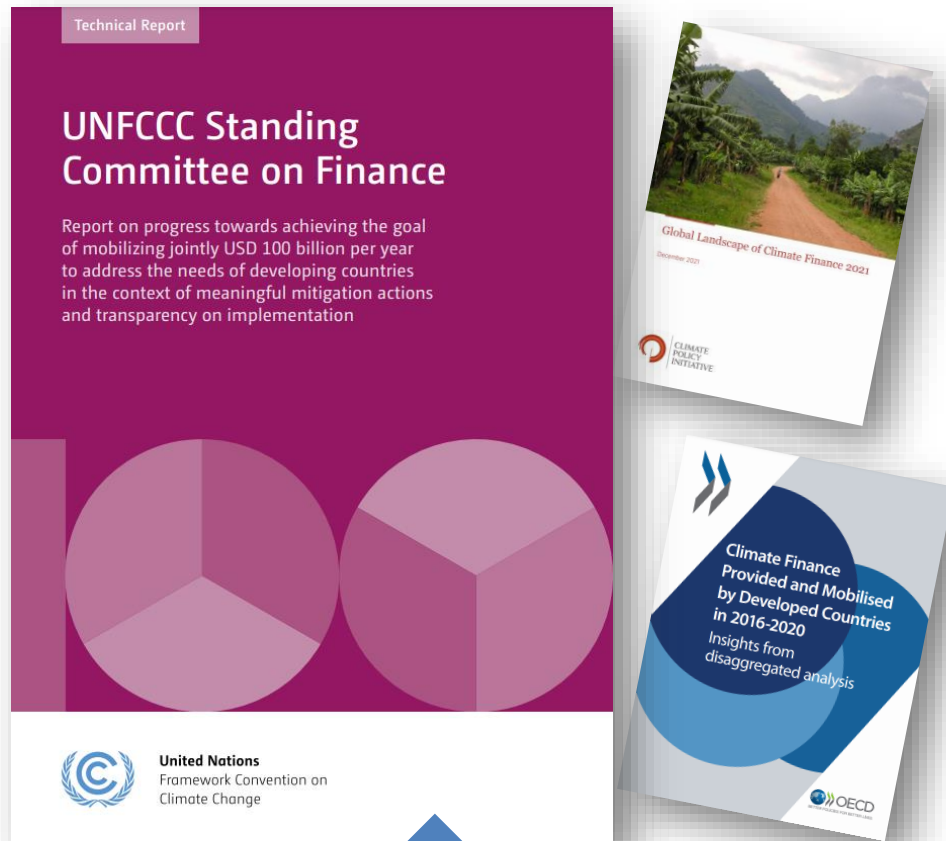


Existing climate finance data source can complement the ETF

	Financial sources covered in addition to ETF	Yearly data availability	Provider Coverage	Climate-relevant data
OECD DAC Statistics	Multilateral outflows Private mobilised by MDBs		OECD DAC Members, MDBs	
OECD TOSSD	Multilateral outflows Private mobilised by MDBs		OECD DAC Members, MDBs, some developing countries	
OECD Export Credit's Group Statistics	Export Credits		OECD Export Credit Group Members	
OECD Foreign Direct Investment Statistics	Foreign Direct Investment		OECD Members	



Insights from current tracking progress initiatives



Need for primary data

- **UNFCCC Biennial Assessments and Overview of Climate Finance Flows:** primary data from Party submissions, information from external reports, institutional data from multilateral organisations, and insights from consultative workshops with various stakeholders
- **CPI Global Climate Finance Landscapes:** primary data submitted by Parties and other development finance institutions to other organisations to create a detailed and comprehensive overview of financial flows.
- **Assessments of progress towards the current USD 100 billion goal** (e.g. UNFCCC's or OECD's) use a combination of data sources. Similarly, Oxfam's Climate Finance Shadow Reports use a combination of UNFCCC and OECD DAC data.



OECD's tracking progress towards the USD 100 billion goal makes use of different data sources

Bilateral public	Biennial reports to the UNFCCC
Multilateral public	OECD DAC statistics
Export credits	OECD Export Credit Group statistics
Mobilised private	OECD DAC statistics





Conclusions

- Defining transparency arrangements for the NCQG hinges on the **scope of the goal**.
- **The Paris Agreement's Enhanced Transparency Framework (ETF) holds the potential to be the foundational source of information** for the NCQG tracking system. However, the bottom-up approach of the ETF may result in methodological differences and potential data discrepancies among Parties.
- **Integrating ETF data with other data sources** and incorporating insights from a broader range of stakeholders beyond the UNFCCC realm will be **key to ensuring a comprehensive tracking** of the NCQG.