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# Second biennial communications in accordance with Article 9, paragraph 5, of the Paris Agreement

## Revised compilation and synthesis report by the secretariat

*Summary*

This compilation and synthesis of the information contained in the submissions included in the second biennial communications submitted by Parties in accordance with Article 9, paragraph 5, of the Paris Agreement has been prepared for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement and the Conference of the Parties and to inform the global stocktake.

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# Abbreviations and acronyms

| | |
|---|---|
| AF | Adaptation Fund |
| AFD | French Development Agency |
| AUD | Australian dollar(s) |
| CAD | Canadian dollar(s) |
| CHF | Swiss franc(s) |
| CMA | Conference of the Parties serving as the meeting of the Parties to the Paris Agreement |
| COP | Conference of the Parties |
| CZK | Czech koruna (koruny) |
| DAC | Development Assistance Committee |
| DKK | Danish krone(r) |
| EU | European Union |
| GBP | pound(s) sterling |
| GCF | Green Climate Fund |
| GCF-1 | first replenishment of the Green Climate Fund |
| GEF | Global Environment Facility |
| GEF-7 | seventh replenishment of the Global Environment Facility Trust Fund |
| GEF-8 | eighth replenishment of the Global Environment Facility Trust Fund |
| GNI | gross national income |
| HUF | Hungarian forint |
| JPY | yen |
| LDC | least developed country |
| LDCF | Least Developed Countries Fund |
| LT-LEDS | long-term low-emission development strategy(ies) |
| MDB | multilateral development bank |
| NA | not applicable |
| NAP | national adaptation plan |
| NAP Global Network | National Adaptation Plan Global Network |
| NDC | nationally determined contribution |
| NOK | Norwegian krone(r) |
| NZD | New Zealand dollar(s) |
| ODA | official development assistance |
| OECD | Organisation for Economic Co-operation and Development |
| REDD+ | reducing emissions from deforestation; reducing emissions from forest degradation; conservation of forest carbon stocks; sustainable management of forests; and enhancement of forest carbon stocks (decision 1/CP.16, para. 70) |
| SCCF | Special Climate Change Fund |
| SEK | Swedish krona (kronor) |
| SDG | Sustainable Development Goal |
| SIDS | small island developing State(s) |

# I. Introduction

## A. Mandate

1. Recognizing the importance of predictability and clarity of information on financial support for the implementation of the Paris Agreement, CMA 1 requested developed country Parties to submit, starting in 2020, the biennial communications referred to in Article 9, paragraph 5, of the Paris Agreement, including the information specified in the annex to decision 12/CMA.1. It encouraged other Parties providing resources to biennially communicate such information on a voluntary basis.[1] It also requested the secretariat to prepare, starting in 2021, compilations and syntheses of the information included in the biennial communications.[2]

2. CMA 3 welcomed the first biennial communications of developed country Parties that had been received, requested developed country Parties to submit their second biennial communications in 2022 and encouraged other Parties providing resources to communicate biennially indicative quantitative and qualitative information related to Article 9, paragraphs 1 and 3, of the Paris Agreement, as applicable, on a voluntary basis.[3] It invited developed country Parties to take into account the areas for improvement identified in the summary report[4] on the first biennial in-session workshop on information to be provided by Parties in accordance with Article 9, paragraph 5, of the Paris Agreement, held on 11 June 2021,[5] in preparing their second biennial communications, particularly in relation to:

(a) Indicative projections of climate finance for developing countries and specific plans for scaling up the provision and mobilization of climate finance;

(b) Information provided on projected levels of climate finance and lack of detail on themes, various channels and instruments across the biennial communications;

(c) Information on the shares of projected climate finance for adaptation and mitigation, and plans for addressing the balance between the two.[6]

## B. Biennial communications received

3. Australia, Canada, Czechia and the European Commission on behalf of the EU and its member States, Iceland, Japan, Monaco, New Zealand, Norway, Switzerland, the United Kingdom of Great Britain and Northern Ireland, and the United States of America have submitted second biennial communications.[7]

4. The communication of Czechia and the European Commission on behalf of the EU and its member States contains submissions from Austria, Belgium, Croatia, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, the Kingdom of the Netherlands, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the European Commission. Taking these into account, this report considers information submitted by 35 Parties.[8]

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[1] Decision 12/CMA.1, paras. 1, 4 and 5.
[2] Decision 12/CMA.1, para. 7.
[3] Decision 14/CMA.3, paras. 3, 12 and 15.
[4] FCCC/PA/CMA/2021/5.
[5] See https://unfccc.int/event/biennial-in-session-workshop-on-information-to-be-provided-by-parties-in-accordance-with-article-9.
[6] Decision 14/CMA.3, para. 13.
[7] Available at https://unfccc.int/Art.9.5-biennial-communications.
[8] In this report, "Parties" is used to refer to the Parties that made submissions as part of the second biennial communications as well as the European Commission.

### C. Scope

5. This compilation and synthesis summarizes information contained in the submissions included in the second biennial communications for consideration at CMA 5 and COP 28 and to inform the global stocktake.[9] Chapter II below provides an overview, and chapter III below contains a synthesis, of the indicative quantitative and qualitative information related to Article 9, paragraphs 1 and 3, of the Paris Agreement[10] contained in the submissions included in the second biennial communications received.

## II. Overview

6. All 35 Parties provided quantitative information on the provision of financial support, of which 32 presented both the total financial support provided and planned to be provided annually or over a specific period, and information at the specific, for example, project, programme or fund level, while 2 reported the latter only. Of the 35 Parties, 30 presented both ex ante and ex post information and 5 presented ex post information only.

7. Many[11] Parties reported that they are committed to contributing to achieving the goal of developed country Parties of mobilizing jointly USD 100 billion per year by 2020 and through to 2025, with 23 Parties having increased their projected **provision of public financial resources** compared with previous commitments, 6 of which indicating efforts to at least double their contributions; 3 Parties reiterating their existing commitments and indicating that they are on track to meeting them; 4 Parties presenting relevant quantitative information that was not presented in the first biennial communications; and 1 Party reporting a decrease in projected provision of public financial resources.

8. In the submissions included in the second biennial communications, some Parties provided information on efforts in response to the call to at least double their collective provision of climate finance for adaptation to developing country Parties from the 2019 level by 2025, in the context of achieving a **balance between mitigation and adaptation** in the provision of scaled-up financial resources, recalling Article 9, paragraph 4, of the Paris Agreement.[12] Recognizing the importance of providing financial support for adaptation, 7 Parties emphasized their commitment to at least doubling their contributions to adaptation finance; 16 highlighted efforts to achieve a balance between mitigation and adaptation in the provision of support, of which 3 confirmed that such a balance has nearly been achieved; and 2 reported allocating more than 50 per cent of grant-equivalent bilateral support to adaptation.

9. Compared with the information provided in the first biennial communications, some Parties submitted more granular information on the financial support provided or planned to be provided through multilateral channels, specifically to UNFCCC funds. With the negotiations for GEF-8 concluding in June 2022, information on the provision of financial resources to the GEF featured prominently in the submissions of 19 Parties (compared with 12 previously). Referencing their commitment to responding to the call referred to in paragraph 8 above, 9 Parties (compared with 4 previously) presented information on contributions to the AF, 19 (compared with 17 previously) reported on contributions to the GCF[13] and 7 (compared with 6 previously) reported on contributions to the LDCF.

10. Many Parties communicated information on ongoing efforts to consider the **needs and priorities** of developing country Parties in providing bilateral and multilateral support, for example by involving national Governments in the planning process; developing tailored

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[9] As per decision 12/CMA.1, paras. 7 and 12.

[10] As per the annex to decision 12/CMA.1.

[11] The following qualifiers are used in this report: "all" if applicable to all 35 Parties covered; "most" if applicable to 29–34 Parties; "many" if applicable to 16–28 Parties; "some" if applicable to 4–15 Parties; and "a few" if applicable to 1–3 Parties.

[12] See decision 1/CMA.3, para. 18.

[13] Of the 18 Parties that reported on contributions to the GCF, 17 provided information on planned contributions to the GCF and 1 on provided contributions.

country programmes and initiatives; and supporting the implementation of projects identified in national reports such as national communications, NDCs, NAPs and LT-LEDS.

11. More Parties than previously provided information on how support provided and mobilized is targeted towards **helping developing countries in their efforts to meet the long-term goals of the Paris Agreement**. In addition, more Parties than previously included information on complying with the recommendations of the Task Force on Climate-related Financial Disclosures and on opportunities for enhancing transparency of private finance, and stressed the need to mobilize private finance for adaptation. A total of 14 Parties reported on actions, initiatives and programmes designed to support developing countries in their efforts to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development, such as promoting green financial products like green bonds, using blended finance, introducing policy initiatives to, inter alia, encourage private sector investment in climate projects and reducing investment in carbon-intensive sectors. In this regard, most Parties acknowledged the important role of the private and public sectors in mobilizing private sources of finance in or for developing countries for climate action.

12. A total of 28 Parties reported on efforts and plans to support developing countries in **mobilizing additional finance from a wide variety of sources**, including private sources, of which 12 presented quantitative information on mobilized private finance. Many Parties provided information on funds and facilities and other investment platforms used to mobilize private finance.

13. Some Parties emphasized consideration of just transition; for example, nine highlighted strategies and initiatives contributing to facilitating just transition in developing countries, including the launch of the Just Energy Transition Partnership in South Africa, designed to accelerate decarbonization efforts in the energy sector, and its roll-out to India, Indonesia, Senegal and Viet Nam.

14. Owing to **national circumstances and challenges** making it difficult to present multi-annual climate finance projections, many Parties presented information on climate finance flows and trajectories for previous years and indicated their intention to maintain or increase their provision of climate finance to developing countries. A total of 22 Parties reported that budgetary and parliamentary requirements to have public climate finance disbursements approved annually remain a key **barrier** to communicating information on the projected levels of such finance. Other challenges relate to national socioeconomic conditions and identifying programmes and priorities that will ensure flexibility and responsiveness in terms of meeting developing countries’ needs.

15. Some Parties highlighted that the coronavirus disease 2019 pandemic and inflationary pressures due to the war in Ukraine have not changed the extent of their financial commitments, and affirmed that they will continue to mobilize and provide climate finance in future despite such challenges.

# III. Synthesis

## A. Projected levels of public financial resources

16. All Parties presented information on their projected levels of public climate finance to be provided to developing countries (see annex I).

17. In total, eight Parties announced or reiterated their intention to at least double their provision of climate finance compared with the commitments previously reported: Canada plans to double its commitments from CAD 2.65 billion to 5.3 billion over a five-year period, starting in April 2021; Finland intends to nearly double its provision of international climate finance, subject to parliamentary approval; Ireland reported on its pledge at COP 26 to more than double its provision of financial support by 2025 to an annual commitment of EUR 255 million; and New Zealand intends to deliver at least NZD 1.3 billion in climate-related support, of which 50 per cent for adaptation, during 2022–2025, equating to a fourfold

increase in terms of both overall support and support for adaptation compared with its commitment for 2019–2022.

18. Some Parties presented multi-year climate finance budgetary allocations that are subject to annual parliamentary approval, showing their intention to maintain or increase the amount of climate finance provision. For example, Estonia presented its four-year public sector financing plan, which is updated annually; France intends to provide EUR 6 billion in public finance annually in 2021–2025; and Germany plans to increase its provision of climate finance to EUR 6 billion by 2025. As for Japan, it reported a climate finance commitment of JPY 6.5 trillion for 2021–2025, as well as, as announced at COP 26, an additional commitment of up to USD 10 billion over that period towards the goal of mobilizing jointly USD 100 billion per year by 2020 and through to 2025. Furthermore, Lithuania intends to allocate EUR 8 million for climate finance, administered through its national climate change programme in 2022–2025.

19. Some Parties confirmed projected levels of public finance over a one- or two-year period. For example, Finland's public climate finance is planned through rolling three-year financial frameworks, including an annual public budget cycle approved each December, while Switzerland intends to provide CHF 400 million/year in public climate finance by 2024 through bilateral and multilateral channels. On the basis of preliminary assessments, the Italian Climate Fund estimates that Italy will deliver EUR 2.6 billion in climate finance in 2022–2025, of which around 62 per cent will be channelled through bilateral channels and 38 per cent through multilateral channels.

20. As in the first biennial communications, some Parties presented ex post information on annual climate finance flows to demonstrate consistent or increasing trends in climate finance provision. Germany, for example, reported that its financial support for climate action has grown in recent years, from EUR 471 million in 2005 to EUR 5.09 billion in 2020 and EUR 8.1 billion in 2021, while Slovenia allocated EUR 97 million (equivalent to 0.19 per cent of its GNI) to ODA in 2021, which is 22 per cent more than in 2020, and Iceland's contribution in 2022 increased to USD 93.05 million (equivalent to 0.34 per cent of its GNI) from USD 71.9 million (equivalent to 0.28 per cent of its GNI) in 2021. Similarly, Monaco intends to allocate EUR 1.5 million to climate action in 2023, equating to a 19 per cent increase compared with the 2018 level, and Czechia intends to provide CZK 960 million annually in 2023–2025, subject to annual parliamentary approval. Some Parties have committed to dedicating a certain share of their annual ODA budget to climate support and increasing this share over time, while Romania and Slovenia have reiterated their intention to allocate 0.33 per cent of GNI to ODA by 2030, and Sweden to allocate 1 per cent of GNI to finance for development cooperation.

21. Many Parties provided information on financial support provided or planned to be provided by thematic area: 7 Parties provided quantitative information on financial support for mitigation, 14 on financial support for adaptation and 5 on financial support for action related to addressing loss and damage.

## B. Programmes, channels and instruments

22. Many Parties presented both qualitative and quantitative information on the programmes supported by their respective Governments in the context of achieving the goals of the Paris Agreement and contributing to international efforts to implement the 2030 Agenda for Sustainable Development and achieve the SDGs.

23. Many Parties stated that bilateral financial support is provided to developing countries through development cooperation agencies and bilateral climate funds under the respective country programme. Some explained how such country programmes are developed in collaboration with national Governments and local implementing partners. Parties highlighted bilateral support in the form of a EUR 16 million grant programme implemented by the Austrian Development Agency; the Climate Action for a Resilient Asia programme of the United Kingdom, the aim of which is to strengthen the resilience of vulnerable communities; and Canada's earmarking of CAD 20 million for projects advancing women's rights and adaptation efforts in developing countries that involve women's organizations.

24. Many Parties channel climate finance support, such as earmarked contributions or funding, through multilateral channels such as climate funds, MDBs, United Nations agencies and other international organizations. The contributions mentioned were earmarked for specific sectors or areas, such as Canada's contributions of up to CAD 37.5 million to the LDCF for helping vulnerable countries to prepare and implement NAPs and national adaptation programmes of action and CAD 1 billion to the Accelerating Coal Transition investment programme of the Climate Investment Funds.

25. Many Parties reported on providing multilateral funding through climate funds, which includes fulfilling their commitments to GCF-1, engaging in the second replenishment of the GCF and fulfilling recently announced contributions to GEF-8. In addition, many Parties have responded to the call referred to in paragraph 8 above, with Switzerland having committed to doubling its contribution to the LDCF and the SCCF from CHF 13 million for 2019–2022 to CHF 26 million for 2023–2026 and Parties like Belgium, Canada, Germany, Japan and Switzerland reporting their commitment to fulfilling their obligation to contribute to multi-year climate funds (e.g. the AF, the LDCF) to improve the predictability and scaling up of adaptation finance.

26. Many Parties highlighted that they provide grant-based public finance support, private equity and concessional loans to developing countries, particularly the LDCs and SIDS, to support adaptation. Some Parties indicated that they plan to broaden the range of instruments used to suit different types of activity and project needs. Some Parties stated the importance of identifying instruments appropriate to, inter alia, the specific needs of the country. Recognizing the importance of private sources of finance, Parties reported the use of blended finance vehicles, such as syndicated loans, foreign direct investment, guarantees and public–private partnerships, to mobilize private investment in climate action (see also chap. III.K below).

## C. Policies and priorities

27. Many Parties reported their commitment to mainstreaming climate change in policies aimed at contributing to the achievement of national and international objectives, including the goals of the Paris Agreement and the SDGs. Many mentioned developing new or updating existing policies or strategies aligned with the goals of the Paris Agreement. For example, the Foreign Trade and Development Cooperation of the Kingdom of the Netherlands has in place a policy entitled "Doing what the Netherlands is good at", aimed at increasing public and private climate finance from EUR 1.25 billion in 2021 to EUR 1.80 billion in 2025. Similarly, Germany's Federal Ministry for Economic Cooperation and Development has developed, together with partner countries and other multilateral and regional partners, its *Responsibility for Our Planet – Climate and Energy*[14] strategy, aimed at advancing action in the areas of mitigation and adaptation; renewable energy and energy efficiency; and sustainable urban development, including mobility and circular economy.

28. Additionally, some Parties highlighted their efforts to align the provision of support with the needs and priorities of developing countries with a view to fostering country ownership, which has resulted in tailored country programmes developed in close cooperation with national partners. Many Parties mentioned that bilateral projects were selected on the basis of the extent to which they align with climate change objectives, their potential to achieve mitigation and adaptation impacts and their consistency with relevant UNFCCC guidelines (see also chap. III.E below). Some Parties underlined their commitment to aligning their development projects or programmes with the recipient countries' NDCs, NAPs and other national climate change action plans.

29. Many Parties identified the developing countries or regions that were prioritized in their provision of climate finance support. Most of them indicated that they prioritized the LDCs and SIDS, particularly for public grant-based financing. For example, the Government of the United Kingdom provided climate finance support under the Small Island Developing

[14] German Federal Ministry for Economic Cooperation and Development. 2021. *Responsibility for Our Planet – Climate and Energy*. Bonn and Berlin: German Federal Ministry for Economic Cooperation and Development. Available at https://www.bmz.de/en/news/publications/97122-97122.

States Capacity and Resilience Programme with the aim of addressing pressures arising from climate change in SIDS. Some Parties elaborated on climate finance support provided through development cooperation. Switzerland, for example, included detailed information on support provided to recipient countries in alignment with its International Cooperation Strategy 2021–24. A few Parties indicated a focus on countries located in the same region, such as the Pacific region for Australia and New Zealand, and the Western Balkan region for Hungary, Slovakia and Slovenia. Some Parties mentioned adopting a tailored approach to supporting the countries most vulnerable to climate change. A few Parties reported that they apply a degree of flexibility in selecting climate change programmes to support at the global level, enabling the provision of support beyond their identified priority regions.

30. Many Parties indicated both thematic and sectoral priorities and reported on their scaled-up provision of support for adaptation in response to the call referred to in paragraph 8 above with the aim of achieving a balance between mitigation and adaptation support that extends beyond bilateral commitments. Some Parties reported channelling their contributions to climate funds that ensure this balance, while a few indicated that they provide support for both mitigation and adaptation without prioritizing one over the other (see also chap. III.J below). Some Parties provided information on the support that they plan to provide for averting, minimizing and addressing loss and damage, with many Parties identifying agriculture, water and sanitation, energy and the environment, and forestry, including support for REDD+, as priority sectors for climate finance support. Many Parties stated their commitment to promoting the use of renewable energy and energy efficiency and improving access to renewable energy. For example, the Group of Seven members at the Leaders' Summit 2022 committed to setting up and supporting additional Just Energy Transition Partnerships in India, Indonesia, Senegal and Viet Nam that are tailored to country-specific needs and priorities.

31. Many Parties recognized the importance of gender equality in providing climate finance through bilateral channels and therefore considered enhancing the role of women and girls in climate projects as a cross-cutting priority. Some Parties highlighted efforts to mainstream gender considerations in climate change efforts. For example, approximately 81 per cent of Swedish bilateral climate finance was considered gender-responsive in 2021, and at least 80 per cent of Canada's bilateral projects include gender equity considerations in line with its Feminist International Assistance Policy. Other priority groups for support identified include youth, Indigenous Peoples and vulnerable groups, including people with disabilities. As an example, Australia highlighted the Pacific Regional Blue Carbon Program (2018–2024), which supports Indigenous engagement through consideration of the knowledge and experience of Indigenous Peoples in efforts to protect and manage blue carbon ecosystems. In general, Parties identified human rights, democratic values and good governance as the basic principles of development cooperation.

32. Some Parties emphasized an interest in supporting programmes that facilitate mobilization of private finance, particularly in middle-income countries, including through new and innovative instruments aimed at encouraging private-sector-led green growth. The B2B Programme of the Czech Development Agency, the Czech–UNDP Partnership for the SDGs and the financial instruments programme of the National Development Bank reported by Czechia are examples of partnerships with the private sector aimed at mobilizing private resources for sustainable development (see also chap. III.K below). More information on how support provided and mobilized is targeted at helping developing countries in their efforts to meet the long-term goals of the Paris Agreement can be found in chap. III.M below and annex V.

## D. Purposes and types of support

33. Most Parties provided information on efforts to support developing countries in implementing NDCs and achieving the goals of the Paris Agreement. Most reported using the OECD DAC Rio markers to categorize the type of support provided (for adaptation or mitigation, or cross-cutting). Some Parties stated that they strive to achieve a balance in allocating climate finance to mitigation or adaptation and to align support provided with the needs and priorities of developing countries. Some Parties acknowledged, however, that they

provide more support for mitigation than adaptation, predominantly in the areas of renewable energy, transport and industry, and waste management and disposal. Many Parties referred to providing support for activities that contribute to achieving longer-term low-emission and climate-resilient development.

34. Some Parties identified climate-smart agriculture, integrated water resource management and the provision of climate-resilient water, sanitation and hygiene services as the main priority areas for adaptation support, with many Parties emphasizing their commitment to supporting the countries most vulnerable to climate change, including the LDCs, SIDS and African States, in implementing their NAPs. For example, around 41 per cent (USD 23.3 million) of Iceland's bilateral ODA in 2021 and 38 per cent (USD 27.3 million) of bilateral ODA in 2022 was directed to LDCs. Adaptation support was also mentioned in the context of disaster risk reduction and resilience-building. Some Parties highlighted support provided in relation to averting, minimizing and addressing loss and damage arising from the impacts of climate change.

35. Some Parties highlighted that projects addressing issues pertaining to the environment and climate change are recognized as cross-cutting if climate change, too, is identified as a cross-cutting priority by their Government. Many Parties acknowledged the interlinkages of mitigation and adaptation so as to address both mitigation and adaptation and prioritize activities that complement one other, and a few highlighted nature-based solutions that promote ecosystem protection, conservation and restoration as effective mitigation and adaptation actions in developing countries. In addition, many Parties acknowledged the need for private sector finance for adaptation. For example, the Kingdom of the Netherlands focuses specifically on mobilizing private finance for adaptation under national programmes such as the Dutch Fund for Climate and Development, and Mobilising More for Climate.

36. Many Parties highlighted the importance of climate technologies and capacity-building for achieving low-emission and climate-resilient development. Many reported that support for technology transfer and capacity-building is integrated into climate finance projects in recognition of the cross-cutting, multisectoral needs of developing countries, and includes creating information networks, enhancing training and research on climate-friendly technologies and promoting, facilitating and financing the transfer and deployment of and access to climate-friendly mitigation and adaptation technologies. Areas in which technology transfer support is provided include energy, water supply and sanitation. Some Parties reported that they encourage the development of technology action plans in response to technology needs assessments, while many emphasized their research, development and demonstration activities in support of technology development and transfer. For example, Australia, through its Science and Technology for Climate Partnerships programme in partnership with the Commonwealth Scientific and Industrial Research Organisation and the Australian National University, has committed AUD 5.5 million (over 2021–2025) to connecting leading Australian scientists and climate specialists with development partners in the Indo-Pacific. Similarly, the United Kingdom has committed, through the Ayrton Fund, established in 2019, up to GBP 1 billion to support research, development and demonstration activities in relation to innovative clean energy technologies and business models in developing countries. Furthermore, Parties reported providing support to the Climate Technology Centre and Network, the implementing arm of the UNFCCC Technology Mechanism, as an example of the activities undertaken in their effort to support climate technology development and transfer.

37. Many Parties reported that capacity-building support for developing countries is provided bilaterally in the form of technical assistance during the respective project's implementation cycle in line with the relevant needs and context. For example, many Parties referred to the NDC Partnership, which builds the capacity of national Governments to formulate and implement enhanced NDCs. Some Parties also reported on support provided to multilateral organizations such as the GEF, including through its Capacity-building Initiative for Transparency, which provides capacity-building support for the projects it funds (see also chap. III.O below).

## E. Criteria for evaluating project proposals

38. Parties reported the criteria commonly used by climate finance providers for evaluating climate project proposals (see annex II), which are determined in consultation with recipient countries and partners in the case of bilateral channels, and in line with the project evaluation criteria established by the respective multilateral institutions in the case of multilateral channels.

## F. New and additional financial resources

39. Similarly to the information provided in the first biennial communications, many Parties explained how they determine their climate finance to be new and additional, recognizing the lack of a common definition thereof.

40. Some Parties, for example Denmark, Germany, Greece, Ireland, Italy, Japan, the Kingdom of the Netherlands and Spain, defined financial resources committed or approved for disbursement as new and additional if they were new and additional to previously reported commitments or disbursements in, for example, national communications, biennial reports or other reports to the UNFCCC. New Zealand determined NZD 800 million of its committed NZD 1.3 billion (2022–2025) to be new and additional because it is additional to the NZD 500 million already committed under its International Development Cooperation budget; and the United Kingdom's intention to double its provision of climate finance to GBP 11.6 billion for 2021–2022 to 2025–2026 is considered to be additional to its previous commitment for 2016–2017 to 2020–2021.

41. Some Parties defined new and additional resources as those newly committed, allocated or disbursed for climate-related projects and programmes during a certain period of time. For example, Canada and Finland use 2009, the year in which developed country Parties committed to providing financial resources to developing countries under the Copenhagen Accord, as the baseline year from which to define climate finance as new and additional.

42. In addition, some Parties considered new and additional resources in the context of their ODA. Luxembourg and Sweden, for example, determined financial support to be new and additional if it is additional to or exceeds their ODA commitments, while Portugal has a dedicated window under its Portuguese Environmental Fund for supporting climate-related and environmental ODA projects and therefore considered funding stemming from this facility to be new and additional.

## G. National circumstances and limitations relevant to providing ex ante information on climate finance

43. Many Parties reported or reiterated the challenges and limitations encountered in providing ex ante information on climate finance over multi-year periods, with 22 reporting that budgetary and parliamentary requirements pertaining to the allocation and approval of public climate finance disbursements remain a key barrier to providing ex ante information.

44. Some Parties are aiming to improve the predictability of climate finance by preparing multi-year financing programmes, though the committed annual instalments still require parliamentary approval before they can be disbursed. For example, Austria's medium-term expenditure framework sets out legally binding expenditure ceilings four years in advance on a rolling basis, Italy develops a three-year provisional budget every year, which is reported to the General State Accountancy, New Zealand develops multi-year financial commitments and indicative forecasts and Switzerland's provision of climate finance support is governed by four-year framework credits for international cooperation. Ireland also has multi-year agreements in place that are subject to annual budgetary approval; this is due to the fragility of the Irish GNI as a result of external factors.

45. Some Parties indicated that disbursement schedules are subject to change owing to, for example, changes in recipient countries' needs and priorities and socioeconomic challenges (e.g. the coronavirus disease 2019 pandemic and the war in Ukraine) or delays in

the implementation of agreed project activities. Other challenges encountered in providing ex ante information on climate finance relate to, inter alia, providing information on the climate-specific share of a Party's core contributions to MDBs, since ex ante information on imputed shares is not available.

## H. Methodologies and assumptions used for projections

46. Parties communicated ex ante information on projected levels of public climate finance using various methods. For example, Germany provided multi-year scenarios of how public finance will be allocated and disbursed from the government budget for climate-relevant programmes with the aim of meeting its high-level climate finance target.

47. Some Parties provided ex post information on the historical trajectory of climate finance to demonstrate their commitment to maintaining or increasing the level of financial support provided. Many Parties reported that they used the OECD DAC Rio markers to prepare accurate ex post information on climate finance provided through bilateral channels.

48. The Kingdom of the Netherlands and New Zealand applied their own classifications in quantifying climate-related expenditure under ODA projects owing to an inability to use the OECD DAC Rio markers for quantifying finance for climate-relevant activities with development co-benefits. Canada and Monaco underscored that their climate finance reporting only covers expenditure for activities with a climate-specific principal objective.

49. To account for climate finance provided through multilateral channels, some Parties (e.g. Greece, Ireland, Kingdom of the Netherlands) used the ratio set by OECD DAC to impute their contributions to MDBs and calculate the climate-specific percentage of their core contributions. As some multilateral organizations are not captured under that imputed climate-specific percentage, the Kingdom of the Netherlands determined its own climate-related shares in consultation with the relevant organizations. The United Kingdom did not include core contributions to MDBs in its reported climate finance.

50. Some Parties explained how they calculated the level of private climate finance mobilized through public interventions: the Kingdom of the Netherlands, for example, used OECD DAC methods. Some Parties mentioned ongoing efforts to advance methodologies for capturing and reporting private finance mobilized through multilateral channels.

## I. Challenges, barriers and lessons learned

51. Most Parties identified challenges and barriers in relation to mobilizing and delivering climate finance and reported lessons learned in this regard. The challenges and barriers identified relate to, inter alia:

(a) Different planning cycles in different developed countries for determining programmatic priorities and identifying recipient countries;

(b) Language barriers, local specificities and instable political and economic circumstances, resulting in changes in the priorities of recipient countries;

(c) Debt vulnerabilities, foreign exchange risks, varying technical capacities of implementing partners and gaps in regulatory frameworks that can limit private sector investment, particularly in countries perceived as high-risk, such as the LDCs and SIDS;

(d) Limited capacity of finance providers to manage funds;[15]

(e) Lack of good-quality data, which can hamper the effective design and assessment of the impacts of climate-related support.[16]

[15] For example, Malta, as a small country with limited administrative capacity, prefers to provide climate finance predominantly through multilateral funds so as to reduce administrative costs.

[16] Parties reported initiatives that facilitate data collection, storage and sharing, such as the Pacific Data Hub supported by New Zealand, which help to ensure that policy, programming and investment decisions are informed by robust data.

52. Most Parties highlighted their commitment to avoiding or overcoming identified challenges and barriers on the basis of lessons learned. For example, Canada undertook an evaluation process with stakeholders to identify lessons learned from its previous CAD 2.65 billion commitment and apply them in determining the amount of its new climate finance commitment, while Slovenia carries out annual evaluations of its climate finance provision using principles, criteria and standards adopted on the basis of those developed by OECD DAC.

53. The lessons learned identified by Parties include the importance of:

(a) **Working with climate finance providers and recipient countries to enhance access to climate finance**. Recognizing the challenges faced by developing countries in accessing climate finance, the United Kingdom launched its Taskforce on Access to Climate Finance at COP 26; announced plans to establish a new global centre for action in this regard at COP 27 aimed at gathering ideas and amplifying initiatives to enhance access to climate finance through various channels; and has pioneered the LDC Initiative for Effective Adaptation and Resilience, which works closely with seven LDCs to transform the way in which climate finance is accessed, managed and targeted with the objective of at least 70 per cent of climate finance supporting local-level action by 2030;

(b) **Working with developing countries on enhancing coordination at the international, national and subnational level, including among local governments, the private sector and civil society**, in order to boost the effectiveness of climate finance, with enhanced coordination among different focal points and national designated authorities and entities being critical to increasing coherence of policy planning and implementation and ensuring country ownership. Partnerships that operate at the global and regional level (e.g. the Pacific Resilience Partnership) support project delivery, networking, replication and informed development and provide a forum for enhanced coordination, although challenges in avoiding overlap and duplication with other initiatives remain;

(c) **An effective presence in partner countries and long-term programmatic approaches** in order to facilitate learning lessons and adapting interventions accordingly, thereby contributing to the sustainability of implemented adaptation and mitigation projects;

(d) **Effective enabling environments in recipient countries**, which are key to scaling up the mobilization and delivery of private climate finance, including the development of legal systems that promote contract enforceability; good governance practices; the implementation of strong fiscal policies; and support for robust and accountable institutions. Understanding and managing investment risks is helpful for overcoming barriers and seizing opportunities in relation to private sector engagement;

(e) **Tracking, measuring and evaluating the impacts of climate finance**, which can help in enhancing its effectiveness, though tracking adaptation finance remains a challenge for some Parties owing to difficulties in classifying resilience-related activities under ODA as adaptation, as does measuring and evaluating the impacts of adaptation finance, including as a result of a lack of internationally standardized methodologies, data and baselines and difficulties in quantifying the effectiveness of adaptation action.

## J. Ensuring a balance between adaptation and mitigation finance

54. Most Parties acknowledged the need for a balance in the provision of mitigation and adaptation finance. While many specified a commitment to improving such balance, a few mentioned that such support is demand-driven and thus allocated in line with the recipient countries' needs.

55. In response to the call referred to in paragraph 8 above, many Parties indicated efforts to increase the amount of grant-based adaptation finance. For example, around 70 per cent of Australia's bilateral and regional assistance is focused on adaptation and resilience, reflecting the needs of the Pacific region. Likewise, Switzerland provides more grant-equivalent bilateral support for adaptation than for mitigation activities.

56. Some Parties indicated their commitment to scaling up adaptation finance, including through government plans and actions to achieve a balance between mitigation and adaptation support. For example, the United States has launched the President's Emergency Plan for Adaptation and Resilience to accelerate the provision of financing for adaptation by enhancing engagement with multilateral funds, strengthening the capacity of partner countries to access finance for adaptation, developing bankable investments, mobilizing private capital and supporting the development of climate risk finance strategies. Similarly, Spain has established a national adaptation centre to achieve and maintain a balance in financing between mitigation, adaptation and climate governance activities on the basis of available capacity and the needs of developing countries and stakeholders. A few Parties, however, indicated the lack of an overall policy promoting such a balance in their bilateral support.

57. Some Parties reported increased contributions to the AF. Further, some Parties reported their contributions to the GCF, which has an objective to ensure a balanced allocation of climate finance between mitigation and adaptation. Additionally, some Parties indicated their commitment to support the LDCF for scaling up adaptation support.

## K. Mobilizing additional climate finance from a wide variety of sources

58. Some Parties recognized that addressing the needs and priorities of developing countries requires funding in the range of trillions of United States dollars. In this context, they engage with developing countries to reduce investment barriers, including by enhancing capacity and creating environments conducive to attracting private sector investment, including mobilization through public interventions. In this regard, many Parties work with development cooperation agencies, non-governmental organizations, MDBs and relevant ministries to coordinate policies and actions aimed at scaling up private sector investment (see annex III).

59. Some Parties specified the amount of private climate finance that they aim to mobilize or have mobilized through public interventions. For example, the Kingdom of the Netherlands mobilized EUR 619 million in private climate finance through public interventions in 2021, while Switzerland mobilized approximately USD 106 million in climate finance through contributions to multilateral organizations and USD 180 million through bilateral support co-financing in 2022, with plans to continue to increase its share of mobilized private climate finance in 2023–2024. In addition, Japan communicated that it mobilized USD 1.6 billion in private finance in 2020; Belgium plans to invest, through the Belgian Investment Company for Developing Countries, at least EUR 150 million in 15 renewable energy projects by 2023; Canada reported that it provided CAD 5 million to the OECD Clean Energy Finance and Investment Mobilisation programme to strengthen domestic conditions for attracting and mobilizing private sector finance and investment in emerging economies; and Finland, through Finnfund, intends to invest EUR 1 billion in climate and energy projects by 2030. The AFD Group and the World Bank have launched the Solar Risk Mitigation Initiative, designed to facilitate the implementation of private solar energy projects in emerging and developing countries and mobilize up to USD 500 million from public financial institutions and private actors.

60. The role of MDBs in scaling up private finance was emphasized by some Parties, including using concessional finance to demonstrate the commercial viability of climate-related projects and applying innovative approaches. A few Parties highlighted the potential of the GCF and its Private Sector Facility for unlocking private climate finance on a large scale, underlining their commitment to supporting the mobilization by the GCF of private sector capital, including through financial innovations. In addition, Monaco emphasized its involvement in the clean development mechanism, which contributes to mobilizing private sector finance in developing countries.

61. Parties reported on programmes and initiatives aimed at supporting developing countries in mobilizing scaled-up private finance, including providing support for developing climate-related policies and plans, strengthening enabling conditions, establishing specialized funds, formulating investment-ready project proposals, promoting risk mitigation instruments,

engaging the private sector in adaptation and promoting commercially viable climate technologies (see annex IV).

62. Some Parties are considering expanding their tracking of climate finance flows to cover private finance mobilized through public interventions.

## L. Addressing developing countries' needs and priorities

63. Stressing the principles of effectiveness, efficiency, country ownership, inclusive partnerships, transparency and accountability, most Parties emphasized that support is provided to developing countries on the basis of identified needs and priorities and, as such, is demand-driven. Many acknowledged country ownership as key to ensuring that climate-related initiatives remain sustainable in the long term.

64. Many Parties stated that bilateral support is provided following consultations with recipient countries, including with national and subnational governments, local authorities, civil society, implementing partners and country programme representatives, ensuring alignment with national development strategies or action plans, as well as NDCs, and thus identified needs and priorities. Some indicated that the criteria for evaluating bilateral project proposals include assessing the potential recipient country's situation and needs with a view to ensuring such alignment, while some stated that special consideration is given to addressing the needs of the countries most vulnerable to the impacts of climate change, in particular the LDCs and SIDS, for example by supporting the LDC Initiative for Effective Adaptation and Resilience.

65. Many Parties highlighted their provision of support to multilateral funds such as the GCF and the GEF, which strive to align their portfolios with the NDCs, national communications, NAPs and LT-LEDS of developing countries. The GCF and the GEF have processes in place to ensure that allocated resources effectively address the adaptation and mitigation needs of developing countries.

66. Many Parties reported or reiterated their commitment to supporting developing countries in addressing identified needs and priorities. In general, Parties reported being committed to supporting the implementation of NDCs and thus the NDC Partnership. A few Parties stated that the report of the Standing Committee on Finance on the determination of the needs of developing countries related to implementing the Convention and the Paris Agreement[17] could inform projects that they intend to support, as applicable.

## M. Supporting developing countries in meeting the long-term goals of the Paris Agreement, including efforts to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development

67. Many Parties emphasized the importance of mainstreaming climate action in development processes for achieving the goals of the Paris Agreement, underlining their commitment to prioritizing climate change in their activities and operations and therefore supporting the implementation of national climate plans and policies in the recipient countries. Some Parties highlighted efforts to assist developing countries in achieving the Paris Agreement goals through initiatives such as the NDC Partnership, the NAP Global Network and the Global Resilience Partnership, with some elaborating on bilateral support provided to recipient countries for developing and implementing NDCs and LT-LEDS. Some Parties highlighted their commitments to multilateral funds such as the AF, the GCF and the LDCF and United Nations agencies with the aim of supporting developing countries in

[17] Standing Committee on Finance. 2021. *First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement*. Bonn: UNFCCC. Available at https://unfccc.int/topics/climate-finance/workstreams/determination-of-the-needs-of-developing-country-parties/first-report-on-the-determination-of-the-needs-of-developing-country-parties-related-to-implementing.

implementing policies for climate action, such as those identified in NDCs, NAPs and adaptation communications.

68. Many Parties reported that finance flows at both the domestic and international level are key to achieving low-emission and climate-resilient development and thus the goals of the Paris Agreement, also acknowledging the need for transformation, a shift in the financial markets, including developing regulatory measures, and the formulation of climate-sensitive fiscal policies to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development. Parties reported on government action plans to support developing countries in implementing Article 2, paragraph 1(c), of the Paris Agreement and stated the need to strengthen efforts in this regard. For example, the aim of the Electrification Financing Initiative funded by the EU and managed by the Association of European Development Finance Institutions is to ensure reliable and affordable access to clean energy in developing countries. Similarly, Norway has committed USD 80 million to the Transformative Carbon Asset Facility to assist countries in raising their ambition through the implementation of economy-wide or sectoral policies and programmes that create the conditions needed to facilitate private sector investment in low-emission solutions.

69. Some Parties indicated their commitment to supporting partner countries in developing sustainable finance frameworks, taxonomies and bankable projects with linkages at the local, regional and global level. For example, the German Sustainable Finance Strategy was adopted in 2021 to, inter alia, promote sustainable finance in developing countries through development cooperation. Similarly, the AFD 2050 Facility supported by France prioritizes projects for public and private sector investment related to economic transformation, long-term decarbonization and resilience-building. Many Parties highlighted their participation in initiatives that support developing countries in making finance flows consistent with a pathway towards low-emission and climate-resilient development, such as the Coalition of Finance Ministers for Climate Action, which helps developing countries to implement climate action by facilitating the sharing of best practices and experience and initiating analytical work in order to support evidence-based and cost-efficient policy action.

70. Some Parties underlined their interest in participating in the 2023 workshops under the Sharm el-Sheikh dialogue[18] to enhance understanding of the scope of Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement. More information on support for assisting developing countries in making finance flows consistent with a pathway towards low-emission and climate-resilient development can be found in annex V.

## N. Integrating climate change considerations, including resilience, into development support

71. Recognizing the interlinkages and mutual benefits of climate change and sustainable development, most Parties are continuing to integrate climate change considerations into designing and monitoring international development activities. Some Parties reported that they are in the process of enhancing efforts to mainstream such considerations in the work of ministries and development agencies and across sectors.

72. Some Parties have developed guidelines and tools, targeted at development agencies, for integrating climate change considerations into activities. For example, projects funded through the AFD Group use a matrix to ensure consistency with low-emission, climate-resilient development pathways; Switzerland developed the Climate, Environment and Disaster Risk Reduction Integration Guidance tool to include climate considerations in the design and monitoring of development cooperation activities; and Finland has integrated the goals of the Paris Agreement into its development policy, with resilience and low-emission development constituting cross-cutting objectives thereof.

73. Some Parties reported that climate change considerations are integrated into the work of international development institutions. For example, France and the United States (the latter through its Department of the Treasury), as shareholders in international development

[18] See decision 1/CMA.4, para. 68.

finance institutions, are actively supporting the mainstreaming of climate considerations in all work related to development finance to ensure consistency between development finance flows and the goals of the Paris Agreement, including by calling on MDBs to develop plans aimed at scaling up climate finance, including in relation to adaptation.

74. Some Parties provided information on measures taken to consider climate change in the provision of ODA, which include considering climate risks in the design of ODA projects; ensuring that development cooperation programmes do not undermine the needs and priorities of recipient countries outlined in NDCs and NAPs; increasing the climate co-benefits of development assistance projects that do not have mitigation or adaptation as a primary objective; and enhancing the impact of climate-specific activities.

75. Noting that international agreements such as the Sendai Framework for Disaster Risk Reduction 2015–2030, the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda link development efforts, humanitarian aid, mitigation and adaptation measures and disaster risk reduction, some Parties reported on initiatives that they support financially that are aimed at achieving the objectives of those agreements. Those initiatives include Climate Action for a Resilient Asia supported by the United Kingdom, regional disaster risk insurance initiatives and Global Shield against Climate Risks.

## O. How support to be provided to developing countries can enhance their capacity

76. Many Parties acknowledged the importance of capacity-building for strengthening the institutional capacity of developing country governments and institutions and ensuring sustainability of climate finance support and, as such, capacity-building is an integral part of their climate-related support for developing countries.

77. Parties highlighted that capacity-building support was provided to developing countries in several ways:

(a) **Bilateral capacity-building programmes or projects with a climate-related objective**, such as by the AFD 2050 Facility, which provides the necessary funding, and by Switzerland, which develops regulatory frameworks for fostering private sector investment in order to enhance mitigation opportunities and reduce climate risks;

(b) **Programmes with capacity-building components in multilateral institutions and programmes specifically or significantly focused on capacity-building**, such as the Capacity-building Initiative for Transparency, which is funded by multiple countries.

(c) **Iceland’s GRÓ International Centre for Capacity Development, Sustainability and Societal Change, under the auspices of the United Nations Educational, Scientific and Cultural Organization, hosts four training programmes**: fisheries training for sustainable marine resource use, geothermal training for renewable energy, gender equality studies and training for social justice and land restoration training for combating desertification. These programmes provide training for six months to participants from low- and middle-income countries, with a focus on climate change impacts, and online and short courses in partner countries.

78. Many Parties stressed that capacity-building support is country-driven and aimed at addressing needs and priorities identified by the partner countries. Many Parties stated that having national or local governments or organizations as implementing partners enhances the effectiveness of capacity-building efforts. Many Parties highlighted that capacity-building support is provided at the individual, institutional and systemic level.

79. The capacity-building activities mentioned by Parties include enhancing the capacity of national and local governments, scientists and communities to undertake climate action through supported projects; organizing relevant training sessions, workshops, seminars and awareness-raising initiatives at the individual level; providing technical assistance and support to strengthen partner countries’ climate policies and their institutional capacity to design, implement and leverage climate-smart development strategies; and enhancing the

access of the most vulnerable countries and communities to climate finance. Some Parties stated their intention to continue working with stakeholders to identify steps to enhance access to public and private finance for mitigation and adaptation, and some that they are considering ways to build the capacity of, inter alia, women and girls, rural and other communities, teachers, banks and financial actors to participate in climate action.

# Annex I

## Projected levels of public climate finance to be provided to developing countries reported in the submissions included in the second biennial communications

[English only]

Table 1
**Overview of total public climate finance reported in the submissions included in the second biennial communications**

| *New or ongoing financial support since the first biennial communications* | *Party* | *Start year* | *End year* | *Information on provision of support* | *Ex ante/ex post* | *Currency* | *Total amount* | *Annual/cumulative* |
|---|---|---|---|---|---|---|---|---|
| Increase by AUD 500 billion from 2022 to 2025 | Australia | 2022 | 2025 | The climate finance commitment includes AUD 470,000 for South-East Asia and AUD 80,000 for GEF-8 | Ex ante | AUD | 2 000 000 000 | Cumulative |
| Intention to increase financial support | Austria | 2020 | 2025 | Ministry of Climate Action, Environment, Energy, Mobility, Innovation and Technology provides project-specific bilateral funding of EUR 5 million annually | Ex ante | EUR | 5 000 000 | Annual |
| Increase from 2022 to at least EUR 135 million per year | Belgium | 2022 | NA | Indicative climate-specific support | Ex ante | EUR | 135 000 000 | Annual |
| Twofold increase, from CAD 2.65 billion (2015–2020) to 5.3 billion (2021–2025) | Canada | 2021 | 2025 | Of the overall climate finance commitment, 40 per cent (CAD 2.12 billion) is for adaptation and 20 per cent (CAD 1.06 billion) is for nature-based solutions and biodiversity | Ex ante | CAD | 5 300 000 000 | Cumulative |
| New | Croatia | – | 2025 | Planned amount to support climate change mitigation and adaptation activities in neighbouring countries until 2025 | Ex ante | EUR | 2 900 000 | Annual |
| Decrease from CZK 1.1 billion per year in 2021–2023 | Czechia | 2023 | 2025 | Through Czech development cooperation approved for 2023, with roughly equal allocations envisaged for 2024 and 2025 | Ex ante | CZK | 960 000 000 | Annual |
| Increase from DKK 2.4 billion to 4 billion annually | Denmark | 2023 | – | Annual contributions, of which DKK 1 million will be grant-based support and DKK 2.4 million will be for adaptation | Ex ante | DKK | 4 000 000 000 | Annual |

| *New or ongoing financial support since the first biennial communications* | *Party* | *Start year* | *End year* | *Information on provision of support* | *Ex ante/ex post* | *Currency* | *Total amount* | *Annual/cumulative* |
|---|---|---|---|---|---|---|---|---|
| Increase from EUR 1 million annually for 2015–2020 | Estonia | 2021 | 2025 | International cooperation for climate policy, including aid for developing countries through contributions to bilateral projects, multilateral organizations and regional funds | Ex ante | EUR | 1 500 000 | Annual |
| Increase from EUR 29.5 billion for climate-related activities | European Commission | 2021 | 2027 | Total EU external action has been allocated as EUR 110.6 billion, of which 30 per cent (EUR 33.2 billion) will be dedicated to climate-related activities | Ex ante | EUR | 33 180 000 000 | Cumulative |
| Increase from EUR 500 million (2020–2023) to EUR 200 million annually | Finland | 2022 | 2026 | Through public international climate finance | Ex ante | EUR | 200 000 000 | Annual |
| Increase from EUR 5 billion to 6 billion | France | 2021 | 2025 | Of the overall commitment, one third will be for adaptation | Ex ante | EUR | 6 000 000 000 | Annual |
| Increase from EUR 4 billion by 2020 to 6 billion by 2025 | Germany | – | 2025 | Overall commitment | Ex ante | EUR | 6 000 000 000 | Annual |
| – | Greece | 2021 | 2021 | Provision of climate finance in 2021 | Ex post | USD | 9 800 000 | Annual |
| Twofold increase, from HUF 1.8 billion (2019–2021) to 3.6 billion | Hungary | 2019 | 2023 | Climate change projects funded through the Western Balkans Green Center | Ex ante | HUF | 3 600 000 000 | Cumulative |
| – | Iceland | 2021 | 2021 | ODA for 2021 | Ex post | USD | 71 900 000 | Annual |
| Increase | Iceland | 2022 | 2022 | ODA for 2022 | Ex post | USD | 93 050 000 | Annual |
| Increase from EUR 80 million to 225 million annually | Ireland | – | 2025 | Annual target for international climate finance by 2025 | Ex ante | EUR | 225 000 000 | Annual |
| Increase | Italy | 2021 | 2025 | Public climate finance contribution from the Italian Ministry of Economy and Finance | Ex ante | EUR | 902 000 000 | Annual |
| | | 2021 | 2025 | Public climate finance contribution from the Italian Ministry of Foreign Affairs and International Cooperation and the Italian Agency for Development Cooperation (EUR 637 million through multilateral channels and EUR 656 million through bilateral channels) | Ex ante | EUR | 735 000 000 | Annual |

| New or ongoing financial support since the first biennial communications | Party | Start year | End year | Information on provision of support | Ex ante/ex post | Currency | Total amount | Annual/cumulative |
|---|---|---|---|---|---|---|---|---|
| | | 2022 | 2026 | Public climate finance contribution through the Italian Climate Fund, under the responsibility of the Ministry of Ecological Transition | Ex ante | EUR | 840 000 000 | Annual |
| Increase | Japan | 2021 | 2025 | Commitment made by the Japanese Prime Minister at the 47th Group of Seven summit | Ex ante | JPY | 6 500 000 000 000 | Cumulative |
| | | 2021 | 2025 | Additional commitment to the JPY 6.5 trillion commitment made at COP 26 to fill the financial gap in the USD 100 billion goal, of which JPY 1.6 trillion will be to double adaptation funding | Ex ante | USD | 10 000 000 000 | Cumulative |
| Increase | Kingdom of the Netherlands | – | 2025 | Increase provision of climate finance to EUR 1.8 billion in 2025 | Ex ante | EUR | 1 800 000 000 | Annual |
| Increase from EUR 1.6 million annually to EUR 2 million annually | Lithuania | 2022 | 2025 | Climate Change Programme | Ex ante | EUR | 8 000 000 | Cumulative |
| Increase from EUR 120 million (2014–2020) to EUR 220 million | Luxembourg | 2021 | 2025 | International climate finance contribution to be disbursed as: EUR 24 million (2021); EUR 45.5 million (2022), EUR 52 million (2023), 52.5 million (2024) and 56 million (2025) | Ex ante | EUR | 220 000 000 | Cumulative |
| Increase from NZD 300 million (2019– 2022) to 1.3 billion | New Zealand | 2022 | 2025 | Overall commitment, of which NZD 561.3 million is for specific projects, NZD 533.9 million is for projects in the design phase and NZD 228.5 million is for projects in the pipeline | Ex ante | NZD | 1 300 000 000 | Cumulative |
| Twofold increase, from NOK 7 billion in 2020 to 14 billion by 2026 | Norway | – | 2026 | Overall climate finance commitment that includes the tripling of adaptation finance | Ex ante | NOK | 14 000 000 000 | Annual |
| – | Poland | 2020 | 2021 | Of the climate-related assistance in 2020–2021 (grant-equivalent value), EUR 12.3 million was provided through multilateral channels and EUR 14.4 million through bilateral channels | Ex post | EUR | 26 730 000 | Cumulative |

| *New or ongoing financial support since the first biennial communications* | *Party* | *Start year* | *End year* | *Information on provision of support* | *Ex ante/ex post* | *Currency* | *Total amount* | *Annual/cumulative* |
|---|---|---|---|---|---|---|---|---|
| Twofold increase | Portugal | – | 2030 | Pledge to allocate a total of EUR 35 million by 2030 to finance climate action in recipient countries, in particular in Portuguese-speaking African countries | Ex ante | EUR | 35 000 000 | Cumulative |
| – | Romania | 2020 | 2020 | ODA for 2020 | Ex post | EUR | 1 200 000 | Cumulative |
| – | Slovakia | 2020 | 2020 | ODA for 2020, of which EUR 33.28 million was provided through bilateral channels and EUR 101.62 million through multilateral channels | Ex post | EUR | 134 900 000 | Cumulative |
| | | 2021 | 2021 | ODA for 2021, of which EUR 30.85 million was provided through bilateral channels and EUR 98.96 million through multilateral channels | Ex post | EUR | 129 810 000 | Cumulative |
| New | Slovenia | – | 2025 | Estimated increase in financial contributions by 2025 | Ex ante | EUR | 6 000 000 | Annual |
| Increase from EUR 900 million by 2020 | Spain | 2021 | 2025 | Intended increase in climate finance of 50 per cent, reaching EUR 1.35 billion per year in 2025 | Ex ante | EUR | 1 350 000 000 | Annual |
| Increase from SEK 6.5 billion to 8 billion | Sweden | 2022 | 2026 | Development cooperation in the areas of environment, climate and biodiversity | Ex ante | SEK | 8 000 000 000 | Cumulative |
| Ongoing | Switzerland | – | 2024 | Annual budget for international cooperation target of CHF 400 million by 2024 | Ex ante | USD | 426 000 000 | Annual |
| Ongoing | United Kingdom | 2021–2022 | 2025–2026 | Delivering on doubling international climate finance, of which GBP 1.5 billion is for adaptation | Ex ante | GBP | 11 600 000 000 | Cumulative |
| Ongoing | United States | – | 2024 | Working with Congress to quadruple international public climate finance to over USD 11 billion per year, including a sixfold increase in adaptation finance to over USD 3 billion per year | Ex ante | USD | 11 000 000 000 | Annual |

Table 2
**Overview of public climate finance reported in the submissions included in the second biennial communications, by Fund**

| *New or ongoing financial support since the first biennial communications* | *Party* | *Start year* | *End year* | *Information on provision of support* | *Ex ante/ex post* | *Currency* | *Total amount* | *Annual/cumulative* |
|---|---|---|---|---|---|---|---|---|
| **AF** | | | | | | | | |
| New | Canada | 2022 | 2026 | Contribution to the AF | Ex ante | CAD | 10 000 000 | Cumulative |
| New | EU | 2021 | 2021 | Contribution to the AF | Ex post | USD | 249 000 000 | Cumulative |
| New | Germany | 2021 | – | Contribution to the AF | Ex post | EUR | 50 000 000 | Cumulative |
| Ongoing | Japan | 2023 | 2023 | Additional contribution to the AF | Ex ante | USD | 6 000 000 | Cumulative |
| New | Norway | 2021 | 2024 | Contribution to the AF | Ex ante | NOK | 300 000 000 | Cumulative |
| Increase from EUR 1.12 million in 2020 | Spain | 2022 | 2022 | Contribution to the AF | Ex ante | EUR | 30 000 000 | Annual |
| Increase from SEK 1 billion announced in the submission included in the first biennial communication (2019–2022) | Sweden | 2019 | 2022 | Combined contribution to the AF and the LDCF | Ex post | SEK | 1 400 000 000 | Cumulative |
| New | United Kingdom | – | – | Contribution to the AF | Ex ante | GBP | 356 000 000 | Cumulative |
| Twofold increase from USD 50 million in 2021 | United States | 2022 | – | Contribution to the AF | Ex ante | USD | 100 000 000 | Cumulative |
| **GEF** | | | | | | | | |
| Increase from AUD 76.67 million (2018–2022) to 80 million | Australia | 2022 | 2026 | Contribution to GEF-8 | Ex ante | AUD | 80 000 000 | Cumulative |
| Ongoing | Austria | 2022 | 2026 | Contribution to GEF-8 | Ex ante | EUR | 58 760 000 | Cumulative |
| New | Belgium | – | – | Contribution to GEF-8 | Ex ante | EUR | 92 500 000 | Cumulative |
| New | Canada | 2022 | 2027 | Contribution to GEF-8 | Ex ante | CAD | 5 300 000 | Cumulative |
| Increase from EUR 31 million to 48 million | Finland | – | – | Contribution to GEF-8 | Ex ante | EUR | 48 000 000 | Cumulative |
| Ongoing | France | 2022 | 2026 | Contribution to GEF-8 | Ex ante | EUR | 300 000 000 | Cumulative |
| Increase from EUR 420 million (including contributions to the LDCF) (2018–2022) to 700 million | Germany | 2022 | 2026 | Contribution to GEF-8 | Ex ante | EUR | 700 000 000 | Cumulative |
| New | Ireland | – | – | Contribution to GEF-8 | Ex ante | EUR | 10 000 000 | Cumulative |
| Increase from EUR 92 million for GEF-7 | Italy | 2021 | 2021 | Contribution to the GEF | Ex post | EUR | 114 000 000 | Annual |

| *New or ongoing financial support since the first biennial communications* | *Party* | *Start year* | *End year* | *Information on provision of support* | *Ex ante/ex post* | *Currency* | *Total amount* | *Annual/cumulative* |
|---|---|---|---|---|---|---|---|---|
| Increase from USD 637 million for GEF-7 | Japan | 2022 | 2026 | Contribution to GEF-8 | Ex ante | USD | 638 000 000 | Cumulative |
| Increase from EUR 83.6 million for GEF-7 (2018–2022) | Kingdom of the Netherlands | 2022 | 2026 | Contribution to GEF-8 | Ex ante | EUR | 124 000 000 | Cumulative |
| New | Luxembourg | 2020 | 2021 | Contribution to the GEF | Ex post | EUR | 2 400 000 | Cumulative |
| New | Norway | 2022 | 2026 | Contribution to GEF-8 | Ex ante | NOK | 780 000 000 | Cumulative |
| Increase from EUR 11.7 million for GEF-7 (2022) | Spain | 2022 | 2025 | Contribution to GEF-8 | Ex ante | EUR | 30 800 000 | Cumulative |
| Twofold increase, from SEK 2 to 4 billion | Sweden | 2022 | 2026 | Contribution to GEF-8 | Ex ante | SEK | 4 000 000 000 | Cumulative |
| Increase from CHF 145 million | Switzerland | 2023 | 2026 | Combined contribution to the GEF, the LDCF, the Multilateral Fund for the Implementation of the Montreal Protocol and the SCCF | Ex ante | USD | 210 000 000 | Cumulative |
| Increase from CHF 118.34 million for GEF-7 | | 2023 | 2026 | Contribution to GEF-8 | Ex ante | CHF | 155 400 000 | Cumulative |
| New | United Kingdom | 2022 | 2026 | Contribution to GEF-8 | Ex ante | GBP | 330 000 000 | Cumulative |
| New | United States | 2022 | 2026 | Contribution to GEF-8 | Ex ante | USD | 600 800 000 | Cumulative |
| **GCF** | | | | | | | | |
| Ongoing | Austria | 2020 | 2023 | Contribution to GCF-1 | Ex ante | EUR | 130 000 000 | Cumulative |
| Ongoing | Belgium | 2020 | 2023 | Contribution to GCF-1 | Ex ante | EUR | 20 000 000 | Annual |
| Increase from CAD 300 million over 2020–2023 (75 million annually) to 600 million over 2021–2025 (120 million annually) | Canada | 2021 | 2025 | Contribution to GCF-1 | Ex ante | CAD | 600 000 000 | Cumulative |
| Ongoing | EU | 2020 | 2023 | Total contribution to GCF-1 USD 7.4 billion, of which USD 5.5 billion had been provided as at May 2022 | Ex ante | USD | 5 500 000 000 | Cumulative |
| Ongoing | Finland | 2020 | 2024 | Contribution to GCF-1 | Ex ante | EUR | 100 000 000 | Cumulative |
| Ongoing | France | 2020 | 2023 | Contribution to GCF-1 | Ex ante | EUR | 1 548 000 000 | Cumulative |
| Ongoing | Germany | 2020 | 2023 | Contribution to GCF-1 | Ex ante | EUR | 1 500 000 000 | Cumulative |

| *New or ongoing financial support since the first biennial communications* | *Party* | *Start year* | *End year* | *Information on provision of support* | *Ex ante/ex post* | *Currency* | *Total amount* | *Annual/cumulative* |
|---|---|---|---|---|---|---|---|---|
| Ongoing | Ireland | 2020 | 2023 | Contribution to GCF-1 | Ex ante | EUR | 16 000 000 | Cumulative |
| Ongoing | Kingdom of the Netherlands | 2020 | 2023 | Contribution to GCF-1 | Ex ante | EUR | 120 000 000 | Cumulative |
| Ongoing | Luxembourg | 2020 | 2022 | Contribution to GCF-1 | Ex ante | EUR | 40 000 000 | Cumulative |
| New | Malta | 2022 | 2020 | Contribution to GCF-1 | Ex post | EUR | 200 000 | Annual |
| Ongoing | Monaco | 2020 | 2023 | Contribution to GCF-1 | Ex ante | EUR | 750 000 | Annual |
| Ongoing | Norway | 2020 | 2023 | Contribution to GCF-1 | Ex ante | NOK | 3 200 000 000 | Cumulative |
| Ongoing | Slovakia | 2020 | 2023 | Contribution to GCF-1 | Ex ante | EUR | 2 000 000 | Cumulative |
| Ongoing | Spain | 2022 | 2023 | Contribution to GCF-1 | Ex ante | EUR | 48 000 000 | Cumulative |
| Ongoing | Sweden | 2020 | 2023 | Contribution to GCF-1 | Ex ante | SEK | 8 000 000 000 | Cumulative |
| Ongoing | Switzerland | 2021 | 2023 | Contribution to GCF-1 | Ex ante | USD | 150 000 000 | Cumulative |
| Ongoing | United Kingdom | 2020 | 2023 | Contribution to GCF-1 | Ex ante | GBP | 1 440 000 000 | Cumulative |
| **LDCF** | | | | | | | | |
| Increase from EUR 2.6 million in 2020 | Belgium | – | – | Contribution to the LDCF | Ex ante | EUR | 15 000 000 | Annual |
| Ongoing contribution, CAD 37.5 million, over 2016–2017 to 2020–2021 | Canada | 2021 | 2025 | Contribution to the LDCF | Ex ante | CAD | 37 500 000 | Cumulative |
| EUR 350 million in the submission contained in the first biennial communication | Germany | – | – | Contribution to the LDCF | Ex ante | EUR | 100 000 000 | Cumulative |
| Increase from EUR 20 million | Kingdom of the Netherlands | 2019 | 2022 | Contribution to the LDCF | Ex post | EUR | 25 000 000 | Annual |
| Increase from SEK 1 billion in the submission contained in the first biennial communication | Sweden | 2019 | 2022 | Combined contribution to the LDCF and the AF | Ex post | SEK | 1 400 000 000 | Cumulative |
| Increase from CHF 13 million in 2019–2022 | Switzerland | 2023 | 2026 | Combined contribution to the LDCF and the SCCF | Ex ante | CHF | 26 000 000 | Cumulative |
| New | United States | 2022 | – | Contribution to the LDCF | Ex ante | USD | 25 000 000 | Cumulative |

# Annex II

## Criteria of climate finance providers for evaluating project proposals as outlined in the submissions included in the second biennial communications

[English only]

| *Category* | *Criteria* |
|---|---|
| Relevance | Country ownership and alignment with needs and priorities set out in NAPs, NDCs, LT-LEDS, and other national and sectoral plans and strategies |
| | Alignment with strategies and expertise of contributing Party |
| | Alignment with international policies and agreements such as the SDGs |
| Impact | Sustainability (including in relation to the SDGs) and scalability |
| | Clarity of project objectives and of logic and rationale behind expected environmental, economic and social (co-)benefits |
| Efficiency and transparency | Clarity of the cost of activities |
| | Mobilization of additional resources through co-financing, including from private sources |
| | Soundness of governance, presence of political will and reliability of implementing partners |
| | Ability to demonstrate a monitoring and evaluation framework of results against national and international standards |
| Innovative approaches | Prioritization of innovative business models and climate technologies, as well as best practices |
| | Potential for using Indigenous Peoples’ knowledge and practices to achieve high-impact results |
| Inclusiveness and environmental and social safeguards | Gender-sensitivity and promotion of gender equality and women’s empowerment |
| | Promotion of human rights and equitable participation of vulnerable communities |
| | Compliance with national and/or international environmental and social safeguards |
| | Potential for positive environmental (e.g. biodiversity), economic (e.g. livelihoods) and/or social (e.g. health) co-benefits |

# Annex III

## Public institutions reported in the submissions included in the second biennial communications dedicated to catalysing private climate finance and examples of their activities

[English only]

| *Institutions* | *Activities* |
|---|---|
| CDP (development finance institution) (Italy) | Taking first-loss position to lower risk of private sector investment |
| COFIDES (State-owned investment company) (Spain) | Financing profitable private sector projects in developing countries by providing long-term risk capital |
| Development Bank of Austria | Increasing business-to-business cooperation between companies in developed countries and those in developing countries |
| Dutch Fund for Climate and Development | Supporting existing and creating new, innovative public–private partnerships |
| Enabel (development agency of the Belgian Government) | Supporting the creation of policy environments conducive to facilitating private sector climate finance |
| Finnfund (development financier and impact investor) (Finland) | Promoting carbon pricing systems and using export credits |
| Finnpartnership (business partnership programme) (Finland) | Improving transparency and climate risk analysis in the financial sector |
| FMO, the Dutch Entrepreneurial Development Bank | Providing long-term capacity-building and policy support |
| Official Credit Institute (ICO) (public business entity attached to the Spanish Government) | Promoting innovative financial instruments, such as blended finance, green bonds, and disaster risk insurance and other risk management solutions |
| Investment Fund for Developing Countries (IFU) (Denmark) | Supporting developing countries in realizing NDC commitments |
| Japan Bank for International Cooperation | |
| KfW and its private sector investment bank, the German Investment Corporation (Germany) | |
| Luxembourg Sustainable Finance Initiative | |
| National Development Bank (Czechia) | |
| Nippon Export and Investment Insurance (Japan) | |
| Norfund (investment fund for developing countries) (Norway) | |
| Proparco (development finance institution) (France) | |
| SDGs Fund (Sustainable Development Goals Fund) | |
| Swedfund (development finance institution) (Sweden) | |
| United States Agency for International Development | |
| United States International Development Finance Corporation | |

# Annex IV

## Examples of programmes and initiatives for supporting developing countries in mobilizing scaled-up private climate finance reported in the submissions included in the second biennial communications

[English only]

| *Area of support* | *Example of programme/initiative* | *Aim of programme/initiative* |
|---|---|---|
| Developing climate change policies and plans | Energy Transition Accelerator initiative of the United States Department of State, the Rockefeller Foundation and the Bezos Earth Fund | Catalyse private capital to accelerate the transition from fossil fuel to clean power and generate finance to support adaptation efforts in developing countries |
| Strengthening enabling conditions | OECD Clean Energy Finance and Investment Mobilisation programme, supported by Canada | Strengthen domestic enabling conditions to attract and mobilize private sector finance and investment in renewable energy use and energy efficiency in buildings in emerging economies |
| Establishing specialized funds | eco.business Fund, supported by Germany | Promote private sector investment in climate projects through the provision of dedicated financing and technical assistance to private sector entities |
| | Climate Resilience and Adaptation Finance and Technology Transfer Facility, supported by Germany | Promote private sector investment in climate resilience projects through the provision of dedicated financing and technical assistance to private sector entities |
| | Danish Climate Investment Fund and Danish SDG Investment Fund | Mobilize billions of United States dollars from private investors, including pension funds, for climate-relevant investments in developing countries |
| Formulating investment-ready project proposals | Australian Climate Finance Partnership | De-risk and bring to market demonstration projects, including in climate action, with strong anticipated development impacts |
| Promoting risk mitigation instruments | Solar Risk Mitigation Initiative, supported by France | Facilitate the implementation of private solar energy projects in emerging markets and developing countries, and mobilize up to USD 500 million from public financial institutions and private actors |
| | United States International Development Finance Corporation | Develop a risk-sharing platform with private sector insurance partners to reduce barriers to financing climate projects |
| | High Risk – High Impact initiative for investment in Africa, supported by Denmark | Promote investments with high development impact in the LDCs and fragile States in Africa |
| | Climate Finance Partnership implemented by BlackRock Investment Institute, supported by Germany | Provide blended concessional financing with the aim of mobilizing private finance for green investments in countries with a challenging risk–return balance |
| | Emerging Market Climate Action Fund of Allianz Global Investors, supported by Germany | Provide early-stage equity financing to climate mitigation and adaptation projects in emerging and developing markets by backing fund managers and project developers active in this area |

| *Area of support* | *Example of programme/initiative* | *Aim of programme/initiative* |
|---|---|---|
| | Currency Exchange Fund | Provide currency de-risking instruments |
| Engaging the private sector in adaptation | AGRI3 Fund, supported by the Kingdom of the Netherlands | Provide credit enhancement tools and technical assistance to developing countries to enable their transition to more sustainable practices in agricultural value chains and to avert deforestation |
| | Climate Investor Two, supported by the Kingdom of the Netherlands | Support the private sector in developing and implementing climate-resilient infrastructure projects in developing countries in the water sector |
| | Loan Insurance for Green Innovation, supported by Japan | Provide preferential credit risk premiums for projects promoting renewable energy, energy savings and innovative technology |
| | Coalition for Climate Resilient Investment, supported by the United Kingdom | Increase investment in adaptation and resilience through development and testing of solutions for integrating climate risks into investment decision-making and structuring instruments to mobilize private capital |
| | Adaptation and Resilience Investors Collaborative, supported by the United Kingdom | Increase investment in climate adaptation and resilience in developing countries by addressing systemic barriers to private sector investment |
| | Room to Run, supported by the United Kingdom | Provide a guarantee mechanism that is expected to unlock up to USD 2 billion of new financing for projects in Africa, half of which will be for adaptation |
| Promoting commercially viable climate technologies | NDC support centres, supported by Belgium through the Flemish Institute for Technological Development | Identify potential demonstration sites for renewable energy and carbon dioxide emission reduction |

# Annex V

## Programmes and initiatives reported in the submissions included in the second biennial communications for supporting developing countries in making finance flows consistent with a pathway towards low-emission and climate-resilient development

[English only]

| *Area* | *Examples of programmes/initiatives* |
|---|---|
| Green recovery | The Multiannual Financial Framework (2021–2027) of the EU, combined with its temporary (2021–2023/2026[a]) recovery instrument, NextGenerationEU, is instrumental in reaching the ambitious objective of the European Green Deal, which has an overall climate action target of up to EUR 250 billion, which corresponds to about 30 per cent of total expenditure. |
| | Under its Green Finance Strategy (2019), the United Kingdom will champion both the systemic greening of the financial system and the mobilization of finance towards green and climate-resilient sectors globally. |
| | Germany supports the development of tools for developing climate-related investment strategies by investors and banks in emerging and developing markets. The Paris Agreement Capital Transition Assessment, for instance, is an open source methodology for analysing whether financial assets, such as bonds, loans and listed equity portfolios, align with climate scenarios and a sustainable recovery from the coronavirus disease 2019 pandemic. |
| Promoting climate-friendly policies and financial instruments | The EU is in the process of setting up the Global Green Bond Initiative, which will support the expansion of green bond markets in relevant developing countries, thus helping them mobilize capital from institutional investors in order to finance – through green bonds – their climate and environmental projects. The Initiative will build on the Sustainable Finance Advisory Hub to provide a number of green capital market advisory services to (potential) green bond issuers in developing and emerging markets. |
| | Japan has revised its green bond and sustainability-linked bond and loan guidelines, extending their scope to include sustainability-linked bonds. |
| | The KfW Financial Cooperation is assisting climate-friendly financial sector development through green lending to partner institutions, capacity-building and the promotion of green bonds in, for example, Latin America. |
| | The German Federal Government committed in its Sustainable Finance Strategy (adopted in 2021) to promote sustainable finance in Europe, Germany and developing country Parties through, for example, its development cooperation. |
| | France’s 2050 Facility supports the implementation of the Paris Agreement in 30 countries by assisting them with the design and implementation of LT-LEDS, and the development of related public policies and governance, thus helping the countries to identify priorities for long-term public and private investment. |
| | Spain’s national sustainable finance action plan and associated programme is under development and will include the issuance of green bonds by the Spanish Treasury and the Official Credit Institute. |
| Phasing out investment in fossil fuels | The Powering Past Coal Alliance, which Canada co-leads with the United Kingdom, is the driving force behind collective efforts to accelerate the global phase-out of coal-fired electricity, which is the important first step for public and private actors in aligning the power sector with the goals of the Paris Agreement. Although the Alliance is a government initiative, it serves as a bridge between public and private actors through finance principles that translate its public declaration into clear commitments for financial institutions. |
| | The European Investment Bank will no longer finance low-carbon projects of high-emitting corporations if they continue to carry out or invest in activities that are not aligned with the goals of the Paris Agreement. |

| *Area* | *Examples of programmes/initiatives* |
| --- | --- |
| | Sweden has signed the Statement on International Public Support for the Clean Energy Transition. The Swedish International Development Cooperation Agency does not support investments in energy system solutions based on fossil fuels. |
| Carbon pricing | Norway has committed USD 80 million to the Transformative Carbon Asset Facility, which assists developing countries in raising the ambition of their climate action through economy-wide or sectoral policies and programmes that create enabling conditions for private sector investment in low-emission solutions. |
| | Canada launched the Global Carbon Pricing Challenge at COP 26, the aim of which is to expand the use of carbon pricing by strengthening existing systems and supporting emerging ones. The Challenge also creates a forum for dialogue, provides coordination to make pricing systems more effective and compatible, and supports countries in adopting carbon pricing. |
| | The Global Carbon Market project, supported by the German Government, advises finance ministries in developing countries on reforming subsidies that are harmful to the climate and environment and on introducing carbon pricing instruments such as taxes, emissions trading schemes and levies. |
| | The United States International Development Finance Corporation will implement a net zero emission strategy to transition its portfolio to net zero emissions by 2040, including by increasing investment in projects that capture and store carbon. |

[a] End of 2023 represents the deadline for commitments and end of 2026 the deadline for disbursements.