



United Nations

**ADVANCE VERSION**

**FCCC/CP/2022/10/Add.2**



Framework Convention on  
Climate Change

Distr.: General  
17 March 2023

Original: English

## Conference of the Parties

### **Report of the Conference of the Parties on its twenty-seventh session, held in Sharm el-Sheikh from 6 to 20 November 2022**

#### **Addendum**

#### **Part two: Action taken by the Conference of the Parties at its twenty-seventh session**

## Contents

### **Decisions adopted by the Conference of the Parties**

<i>Decision</i>	<i>Page</i>
<a href="#"><u>13/CP.27</u></a> Long-term climate finance .....	2
<a href="#"><u>14/CP.27</u></a> Matters relating to the Standing Committee on Finance .....	4
<a href="#"><u>15/CP.27</u></a> Terms of reference for the second review of the functions of the Standing Committee on Finance .....	21
<a href="#"><u>16/CP.27</u></a> Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund .....	24
<a href="#"><u>17/CP.27</u></a> Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility .....	27
<a href="#"><u>18/CP.27</u></a> Enhancing climate technology development and transfer through the Technology Mechanism .....	30
<a href="#"><u>19/CP.27</u></a> Annual technical progress report of the Paris Committee on Capacity-building for 2022 .....	33
<a href="#"><u>20/CP.27</u></a> Report of the forum on the impact of the implementation of response measures .....	35
<a href="#"><u>21/CP.27</u></a> Second periodic review of the long-term global goal under the Convention and of overall progress towards achieving it .....	40
<a href="#"><u>22/CP.27</u></a> Implementation of the Global Climate Observing System .....	43
<a href="#"><u>23/CP.27</u></a> Action plan under the Glasgow work programme on Action for Climate Empowerment	44

## Decision 13/CP.27

### Long-term climate finance

*The Conference of the Parties,*

*Recalling* Articles 4 and 11 of the Convention,

*Also recalling* decisions 1/CP.16, paragraphs 2, 4 and 97–101, 1/CP.17, 2/CP.17, paragraphs 126–132, 4/CP.18, 3/CP.19, 5/CP.20, 1/CP.21, 5/CP.21, 7/CP.22, 6/CP.23, 3/CP.24, 11/CP.25, paragraph 10, 1/CP.26 and 4/CP.26,

1. *Recalls* the commitment of developed country Parties, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing country Parties in accordance with decision 1/CP.16;
2. *Also recalls* that, in accordance with decision 1/CP.21, paragraph 53, developed countries reaffirmed the continuation of their existing collective mobilization goal through 2025 in the context of meaningful mitigation actions and transparency on implementation;
3. *Notes with deep regret* that the goal of developed country Parties to mobilize jointly USD 100 billion per year by 2020 in the context of meaningful mitigation actions and transparency on implementation has not been met, including due to challenges in mobilizing finance from private sources, and *welcomes* the ongoing efforts of developed country Parties towards achieving the goal of mobilizing jointly USD 100 billion per year;
4. *Urges* developed country Parties to fully deliver on the USD 100 billion per year goal urgently and through 2025, noting the significant role of public funds;
5. *Welcomes* the recent pledges made to the Adaptation Fund (totalling USD 211.6 million), the Least Developed Countries Fund (totalling USD 70.6 million), the Special Climate Change Fund (totalling USD 35.0 million) and the eighth replenishment of the Global Environment Facility (totalling USD 5.3 billion and with a climate-related finance target of no less than 80 per cent of all funding commitments in the eighth replenishment period) and *urges* developed country Parties to fulfil their pledges on time;
6. *Welcomes* contributions made by the Governments of Belgium, Germany, Norway, the Republic of Korea, the Russian Federation, Spain and Sweden and by the European Union to the work on long-term finance and work related to the activities referred to in paragraph 11 below;
7. *Reiterates* the need for grant-based resources in developing countries, in particular for adaptation, and in particular for the least developed countries and small island developing States;
8. *Also reiterates* that a significant amount of adaptation finance should flow through the operating entities of the Financial Mechanism, the Adaptation Fund, the Least Developed Countries Fund and the Special Climate Change Fund;
9. *Emphasizes* the need for further efforts to enhance access to climate finance, including through harmonized, simplified and direct access procedures;
10. *Requests* Parties to continue enhancing their enabling environments and policy frameworks to facilitate the mobilization and effective deployment of climate finance;<sup>1</sup>
11. *Reiterates* that the secretariat, in collaboration with the operating entities of the Financial Mechanism, United Nations agencies and bilateral, regional and other multilateral channels, will continue to explore ways and means to assist developing country Parties in assessing their needs and priorities in a country-driven manner, including their technological and capacity-building needs, and in translating climate finance needs into action;<sup>2</sup>

<sup>1</sup> See decision 3/CP.19.

<sup>2</sup> Decision 6/CP.23, para. 10.

12. *Notes* the fifth Biennial Assessment and Overview of Climate Finance Flows of the Standing Committee on Finance;<sup>3</sup>

13. *Also notes* the technical report of the Standing Committee on Finance on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation, and the quantitative and qualitative information presented therein;<sup>4</sup>

14. *Further notes* the different estimates of progress towards achieving the goal of mobilizing jointly USD 100 billion per year from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources, and *recognizes* the lack of a common definition and accounting methodology in this regard;

15. *Requests* the Standing Committee on Finance to prepare biennial reports, including a summary of key findings, on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation, taking into account other relevant reports, for consideration by the Conference of the Parties at its twenty-ninth (November 2024), thirty-first (2026), and thirty-third (2028) sessions and *notes* the final report will be considered in the context of matters relating to the Standing Committee on Finance;

16. *Also notes* the report of the Standing Committee on Finance on its work on definitions of climate finance,<sup>5</sup> and the complexity arising from the diversity of definitions of climate finance in use by Parties and non-Party stakeholders in the context of aggregate accounting and reporting of climate finance;

17. *Further notes* the report of the Standing Committee on Finance on the mapping of available information relevant to Article 2, paragraph 1(c), of the Paris Agreement, including its reference to Article 9 thereof;<sup>6</sup>

18. *Welcomes* the note by the Presidency of the twenty-sixth session of the Conference of the Parties on the fourth biennial high-level ministerial dialogue on climate finance,<sup>7</sup> in particular the key messages contained therein;

19. *Also welcomes* the deliberations at the fifth biennial high-level ministerial dialogue on climate finance on the progress and fulfilment of the goal of mobilizing jointly USD 100 billion per year by 2020 and *looks forward* to the summary to be prepared by the Presidency of the Conference of the Parties for its twenty-eighth session (November–December 2023).

*10<sup>th</sup> plenary meeting  
20 November 2022*

<sup>3</sup> See document FCCC/CP/2022/8/Add.1–FCCC/PA/CMA/2022/7/Add.1.

<sup>4</sup> FCCC/CP/2022/INF.2.

<sup>5</sup> FCCC/CP/2022/8/Add.2–FCCC/PA/CMA/2022/7/Add.2.

<sup>6</sup> FCCC/CP/2022/8/Add.4–FCCC/PA/CMA/2022/7/Add.4.

<sup>7</sup> FCCC/CP/2022/2.

## Decision 14/CP.27

### Matters relating to the Standing Committee on Finance

*The Conference of the Parties,*

*Recalling* Articles 4 and 11 of the Convention,

*Also recalling* decisions 12/CP.2, 12/CP.3, 1/CP.16, paragraph 112, 2/CP.17, paragraphs 120–121, 5/CP.18, 5/CP.19, 7/CP.19, 6/CP.20, 6/CP.21, 8/CP.22, 7/CP.23, 8/CP.23, 4/CP.24, 11/CP.25, 5/CP.26, 5/CMA.2 and 10/CMA.3,

*Taking note* of decision 14/CMA.4,

1. *Welcomes* the 2022 report of the Standing Committee on Finance;<sup>1</sup>
2. *Also welcomes* the fifth Biennial Assessment and Overview of Climate Finance Flows of the Standing Committee on Finance and the summary, and *takes note* of the recommendations contained in the annex;<sup>2</sup>
3. *Notes* that climate finance flows in 2019–2020 were 12 per cent higher than in 2017–2018, reaching an annual average of USD 803 billion, driven by investments in energy efficiency of buildings, sustainable transport and adaptation; the 2019–2020 annual average of public financial support reported by Parties included in Annex II to the Convention in their biennial reports (USD 40.1 billion) represents an increase of 6 per cent from the annual average reported for 2017–2018; the annual average of climate finance from multilateral development banks to developing countries and emerging economies<sup>3</sup> (USD 45.9 billion) represents a 17 per cent increase since 2017–2018; and UNFCCC funds and multilateral climate funds committed USD 2.9 billion and USD 3.5 billion for climate finance projects in 2019 and 2020 respectively;
4. *Notes with concern* that global climate finance flows are small relative to the overall needs of developing countries;
5. *Also notes with concern* that, despite the clear increasing trend in global climate finance flows, they remain at a relatively low level in the broader context of other finance flows, investment opportunities and costs;
6. *Encourages* Parties to the Convention to consider implementing the recommendations referred to in paragraph 2 above, as appropriate;
7. *Acknowledges* the improvement in quality, transparency and granularity of information in the fifth Biennial Assessment while recognizing that data limitations persist, particularly in relation to private climate finance, including private finance mobilized by developed country Parties through bilateral and multilateral channels, and finance in sectors other than energy and transport, and *requests* further work in this regard in the sixth Biennial Assessment, including in relation to data by region, private finance mobilized from public interventions and financing arrangements relevant to averting, minimizing and addressing loss and damage;
8. *Stresses* the importance of reporting on climate finance provided, mobilized, needed and received at both the activity and country level, and of enhancing methodologies for measuring and reporting on the results and impacts of climate finance;
9. *Notes* that the work of the Standing Committee on Finance on definitions of climate finance<sup>4</sup> shows the variety of definitions in use;

---

<sup>1</sup> FCCC/CP/2022/8–FCCC/PA/CMA/2022/7.

<sup>2</sup> Also contained in document FCCC/CP/2022/8/Add.1–FCCC/PA/CMA/2022/7/Add.1.

<sup>3</sup> See footnote 2 in Standing Committee on Finance. 2022. *Fifth Biennial Assessment and Overview of Climate Finance Flows*. Bonn: UNFCCC. Available at <https://unfccc.int/topics/climate-finance/resources/biennial-assessment-and-overview-of-climate-finance-flows>.

<sup>4</sup> See document FCCC/CP/2022/8/Add.2–FCCC/PA/CMA/2022/7/Add.2.

10. *Also notes* the complexities associated with the diversity of definitions of climate finance in use by Parties and non-Party stakeholders in relation to ensuring clear, aggregated accounting and reporting of climate finance;
11. *Requests* the Standing Committee on Finance to prepare a report for consideration by the Conference of the Parties at its twenty-eighth session (November–December 2023), building on the Committee’s work on definitions of climate finance, on clustering types of climate finance definitions in use that could be considered within the UNFCCC process, including with a view to updating the Committee’s operational definition of climate finance, as appropriate, and supporting Parties in their national reporting efforts and *invites* Parties and external stakeholders to make further submissions thereon via the submission portal<sup>5</sup> by 30 April 2023;
12. *Notes* the report prepared by the Standing Committee on Finance on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation;<sup>6</sup>
13. *Notes with concern* that the draft guidance for the operating entities of the Financial Mechanism prepared by the Standing Committee on Finance<sup>7</sup> was not utilized by the Conference of the Parties and in this regard *requests* the Committee to improve its working modalities for preparing the draft guidance for the operating entities of the Financial Mechanism;
14. *Expresses its sincere gratitude* to the Government of Australia for its support in ensuring the success of the second part of the Standing Committee on Finance Forum on finance for nature-based solutions and *notes with appreciation* the high-level summary thereof,<sup>8</sup> without prejudice to other multilateral processes, and *welcomes* the Forum’s specific focus on indigenous peoples and knowledge;
15. *Also welcomes* financing just transitions as the topic for the Standing Committee on Finance Forum in 2023;
16. *Expresses its appreciation* to the Governments of Australia and Germany and to the European Commission for their financial contributions to support the work of the Standing Committee on Finance;
17. *Endorses* the workplan of the Standing Committee on Finance for 2023<sup>9</sup> and *underlines* the importance of the Committee focusing its work in 2023 on its current mandates;
18. *Welcomes* the efforts of the Standing Committee on Finance to continue to strengthen its engagement with stakeholders in the context of its workplan, including UNFCCC constituted bodies, private entities and other entities outside the UNFCCC, and *encourages* the Committee to continue such efforts in 2023;
19. *Also encourages* the Standing Committee on Finance to continue to enhance its efforts to ensure gender responsiveness in implementing its workplan and *requests* Parties to consider gender balance and geographical representation when nominating members to the Committee;
20. *Encourages* the Standing Committee on Finance to take further steps to accurately, adequately and equitably reflect the views of Parties in its future reports and ensure that those views are presented in a balanced manner that reflects their diversity;
21. *Requests* the Standing Committee on Finance to report to the Conference of the Parties at its twenty-eighth session on its progress in implementing its workplan for 2023;
22. *Also requests* the Standing Committee on Finance to consider the guidance provided to it in other relevant decisions of the Conference of the Parties.

<sup>5</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

<sup>6</sup> FCCC/CP/2022/INF.2.

<sup>7</sup> FCCC/CP/2022/8/Add.5–FCCC/PA/CMA/2022/7/Add.5.

<sup>8</sup> FCCC/CP/2022/8/Add.6–FCCC/PA/CMA/2022/7/Add.6.

<sup>9</sup> FCCC/CP/2022/8–FCCC/PA/CMA/2022/7, annex II.

## Annex\*

## Summary and recommendations of the fifth Biennial Assessment and Overview of Climate Finance Flows

[English only]

### I. Context and mandates

1. The fifth BA conducted by the SCF<sup>1</sup> provides an updated overview of climate finance flows up until 2020, highlighting the trends therein, and an assessment of the implications of these flows for international efforts to address climate change. The fifth BA includes:

(a) Information on recent developments in methodologies related to the tracking of climate finance at the international and domestic level, the operational definitions of climate finance in use and the indicators for measuring the impacts of climate finance, as well as emerging methodologies that support tracking the consistency of finance flows (see also the box below);

(b) An overview of climate finance flows from developed to developing countries, and available information on domestic climate finance, cooperation among developing countries<sup>2</sup> and other climate-related finance flows that constitute global climate finance;

(c) An assessment of the key features of climate finance flows, including their composition and purpose; an exploration of the effectiveness, accessibility and magnitude (in the context of broader flows) of climate finance flows; and insights into country ownership and alignment of climate finance flows with the needs and priorities of beneficiaries.

2. Since the first BA was conducted in 2014, the preparation of BAs has been guided by mandates from the COP and the CMA to the SCF.<sup>3</sup> The fifth BA comprises this summary, prepared by the SCF, and a technical report prepared by experts under the guidance of the SCF drawing on information and data from a range of sources. The report was subject to extensive stakeholder input and expert review, but remains a product of the external experts.

#### Challenges and limitations in collecting and aggregating data on climate finance

The challenges and limitations outlined below need to be taken into consideration when deriving conclusions and policy implications from the fifth BA:

(a) The fifth BA covers 2019–2020, a period during which the coronavirus disease 2019 pandemic may have affected the provision, mobilization and reporting of climate finance flows;

(b) In compiling the estimates of climate finance flows, efforts were made to ensure they are based on activities that are in line with the operational definition of climate finance adopted in the first BA in 2014 and to avoid double counting. Challenges were

\* For the list of abbreviations and acronyms, see document FCCC/CP/2022/8/Add.1–FCCC/PA/CMA/2022/7/Add.1.

<sup>1</sup> The SCF assists the COP in exercising its functions with respect to the Financial Mechanism, including in terms of measurement, reporting and verification of support provided to developing country Parties through activities such as the BA. The SCF also serves the Paris Agreement, in line with its functions and responsibilities established under the COP (as per decision 1/CP.21, para. 63), including through the BA.

<sup>2</sup> For the purpose of the overview of climate finance in the BA, various data sources are used to illustrate flows from developed to developing countries, without prejudice to the meaning of those terms in the context of the Convention and the Paris Agreement, including but not limited to flows from Annex I Parties and Annex II Parties to non-Annex I Parties and MDBs; flows from OECD members to non-members; flows from OECD Development Assistance Committee members to countries eligible for OECD Development Assistance Committee official development assistance; and other relevant classifications.

<sup>3</sup> Decisions 2/CP.17, para. 121(f), 1/CP.18, para. 71, 5/CP.18, para. 11, 3/CP.19, para. 11, 4/CP.24, paras. 4, 5 and 10, and 11/CP.25, paras. 9–10; and decision 5/CMA.2, paras. 9–10.

encountered in aggregating and analysing information from diverse sources with varying degrees of transparency;

(c) In 2019, COP 25 changed the due date for submission of the fifth biennial reports of Annex I Parties (including Annex II Parties), which were to include information on climate finance provided to non-Annex I Parties in 2019–2020, to no later than 31 December 2022.<sup>4</sup> Therefore, during preparation of the fifth BA, the SCF invited Annex II Parties to provide preliminary data on climate finance provided and mobilized for 2019 and 2020. These preliminary data may be subject to change once fifth biennial reports are submitted by Parties by the end of 2022;

(d) In the area of global climate finance, challenges remain in filling data gaps, particularly on private finance for adaptation activities and for mitigation activities in the AFOLU, the waste and the water and sanitation sectors. Methodologies for calculating climate finance based on total cost or incremental cost produce different estimates by activity. This potentially leads to limitations regarding the completeness of data and any interpretation of the relative shares of global climate finance going to different themes or sectors. Energy efficiency estimates do not include data broken down by public or private actor financial instrument, or at country level. Some data sources, such as those for renewable energy, provide activity-level data but may make country- and technology-level assumptions on finance flows to fill data gaps. In compiling data from various sources to aggregate global climate finance flows, approaches that ensure the avoidance of potential overlaps in coverage are taken;

(e) Regarding domestic climate finance, although more countries are developing climate finance reporting systems, time lags in implementation mean data are underreported for 2019–2020. Amounts in relation to public expenditure may refer to ex ante budget allocations or ex post actual expenditures. Furthermore, the climate relevance of activities reported may refer to weighted criteria per activity or to positive activity lists;

(f) Data on international climate finance flows are compiled using various methodologies and have varying interpretations. Flows from developed to developing countries – covering finance provided, mobilized and received – include a mix of data based on disbursements to projects and recipients in the given year or on financial commitments made in the reporting year to activities that may be implemented over several years. Information on South–South cooperation in climate finance flows remains relatively underreported. The classification of data such as by geographical region or by granularity is not uniform across data sources. **As for previous BAs, for the fifth BA, no aggregation of data from different sources for finance flows from developed countries to developing countries was carried out owing to these challenges and limitations.**

The SCF will continue to contribute, through its activities, to the progressive improvement of the measurement, reporting and verification of climate finance in future BAs, to help address these challenges and limitations.

## II. Key findings

### A. Methodological issues related to transparency of climate finance

3. **New reporting tables will improve the information on climate finance submitted by Parties.** CMA 3 adopted new tables for reporting by Parties under the Paris Agreement on climate finance provided to and mobilized for developing countries and climate finance needed and received by developing countries. The new tables will be used for reporting from the end of 2024 in biennial transparency reports. A number of improvements will facilitate enhancing the granularity of data reported on climate finance (including sectoral and subsectoral data) and on whether the financial support also contributes to capacity-building or technology transfer, and will provide an option to report on grant-equivalent amounts of

<sup>4</sup> Decision 6/CP.25, para. 3.

climate finance provided and mobilized. In addition, CMA 3 requested the secretariat to establish an interactive web portal to facilitate the availability of information on climate finance reported by Parties.<sup>5</sup>

4. **The coverage and granularity of reporting on climate finance received by non-Annex I Parties is improving.** The proportion of BURs that include information on finance received rose from approximately 60 per cent in 2014 to over 97 per cent in 2021. A total of 70 Parties have provided quantitative information on climate finance received at the project or activity level in tabular format. More Parties are reporting details on financial instruments and implementing entities and on whether finance received is for mitigation or adaptation. Information that is reported the least includes that related to the use, impacts and results of climate finance. Limited capacities and resources to track climate finance received can pose challenges for non-Annex I Parties in reporting this information, and a lack of reporting on the year an activity received climate finance can make it difficult to compile and aggregate data.

5. **Systems to track domestic public climate finance are growing in both developed and developing countries.** Twenty-four jurisdictions have established tracking systems for national budgets, with a further 24 countries having methodologies for tracking climate-relevant budgets in development. Building on previous work carried out as part of the climate public expenditure and institutional reviews of the United Nations Development Programme, many countries are developing guidance on green budgeting frameworks that include climate-relevant activities. Domestic public expenditures on climate change in 2019–2020 amounted to an estimated total of USD 134.2 billion (see chap. II.B below).

6. **Renewable energy, CCU/S, electrified transport, energy efficiency of buildings, and water management and supply are the most common mitigation activities listed across international, regional and national taxonomies or classifications.** An analysis of 12 classification lists or taxonomies related to climate change mitigation activities, including those of MDBs and of regional and national jurisdictions, revealed that mitigation activities that appear most commonly (in more than 75 per cent of lists) are renewable energy, electrified transport, energy efficiency of buildings, water management and supply, and abatement technologies (e.g. carbon dioxide capture and use or storage). Different eligibility criteria are in use for common activities relating to agriculture, waste, transport infrastructure and power generation (the latter including geothermal power, hydropower, bioenergy and efficiency improvements). Less common activities (in 25–75 per cent of lists) include gas-fired power generation, waste-to-energy processes, sustainable logging, and information and communication technology infrastructure. Of the uncommon activities (less than 25 per cent of lists), notable are nuclear power generation, aviation and mining. Of the 12 taxonomies of countries and institutions reviewed, 10 make use of exclusion lists across mitigation sectors. For adaptation, most taxonomies refer to process-based screening methods rather than an activity list owing to adaptation activities being specific to a given local environment or context. The evaluation baseline for adaptation screening processes is typically based on environmental and climate risk and vulnerability assessments or national, regional or global resilience and biodiversity standards and codes. In addition, 7 of the 12 analysed taxonomies apply the ‘do no significant harm’ principle (to other environmental objectives) when assessing the eligibility of activities.

7. **Climate finance providers are advancing more indicators and metrics to measure what climate finance is achieving on the ground.** Multilateral climate funds (including the operating entities of the Financial Mechanism), multilateral institutions and national development finance institutions are in the process of developing or have already developed frameworks for measuring outputs, outcomes and impacts of climate finance interventions, with the granularity of indicators and metrics increasing. Multilateral climate funds, in their results management frameworks, capture information on 141 indicators, 48 of which are core indicators, and most multilateral institutions, as well as bilateral contributors, use a similar set of mitigation and adaptation indicators. Common indicators identified for mitigation are greenhouse gas emissions reduced (in t CO<sub>2</sub> eq) and sector-specific metrics for the energy, transport and land-use sectors. For adaptation, common indicators in use are the number of

<sup>5</sup> Decision 5/CMA.3.



beneficiaries; the hectares of land protected; and the number of policies, projects, plans, systems or assets that foster climate resilience. An ongoing challenge is defining and reporting on outcome and impact indicators that enable the long-term or indirect effects of climate finance interventions (e.g. job creation or the increased climate resilience of beneficiaries) to be captured as opposed to measuring direct project outputs (e.g. number of beneficiaries or number of early warning systems installed). Methodologies for outcome measurement are at earlier stages of development by climate finance providers than those for output measurement.

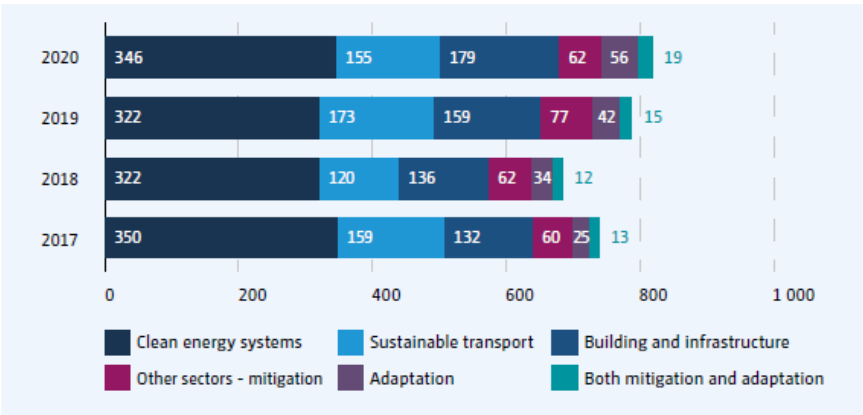
8. **Increasing efforts are being made to enhance the transparency and comparability of approaches for tracking consistency with low-emission and climate-resilient development pathways.** Methodological developments in this area, particularly from the private financial sector and supervisory authorities, are in a dynamic growth phase. The aim of these initiatives and efforts is to offer discussion of and guidance on appropriate choices of emission pathways and scenarios, emission metrics and measures, geographical and sector coverage, the role of carbon offsets, the formulation and implementation of transition plans and governance frameworks, and aggregate Paris Agreement alignment indicators. In the financial sector, a focus of current approaches on decarbonization and net zero targets, rather than on fostering climate change adaptation and resilience, continues to be observed. Since the fourth BA, initiatives that seek to increase the transparency and understanding of approaches for tracking consistency have emerged – notable among these are the United Nations High-Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities and the Expert Peer Review Group under the Race to Zero campaign. In addition, various private and public sector reports that assess approaches to alignment with the Paris Agreement continue to be published (see SCF documents on work under this area for further information).<sup>6</sup>

## B. Overview of climate finance flows in 2019–2020

9. **Global climate finance flows were 12 per cent higher in 2019–2020 than in 2017–2018, reaching an annual average of USD 803 billion, with the trend being driven by an increasing number of mitigation actions in buildings and infrastructure and in sustainable transport, as well as by growth in adaptation finance.** The growth in finance flows in 2019–2020 was largely driven by increased investment in the energy efficiency of buildings (USD 34 billion increase), sustainable transport (USD 28 billion increase) and adaptation finance (USD 20 billion increase). While overall investment in clean energy systems remained stable, public energy investment increased its share of total finance flows. Adaptation finance increased by 65 per cent, from an annual average of USD 30 billion in 2017–2018 to USD 49 billion in 2019–2020, driven mainly by financing from bilateral and multilateral development finance institutions. Figure 1 provides a breakdown, by sector, of global climate finance flows in 2017–2020 and figure 2 provides an overview of global climate finance and finance flows from developed to developing countries in 2019–2020.

<sup>6</sup> FCCC/CP/2022/8/Add.3–FCCC/PA/CMA/2022/7/Add.3 and  
FCCC/CP/2022/8/Add.4–FCCC/PA/CMA/2022/7/Add.4.

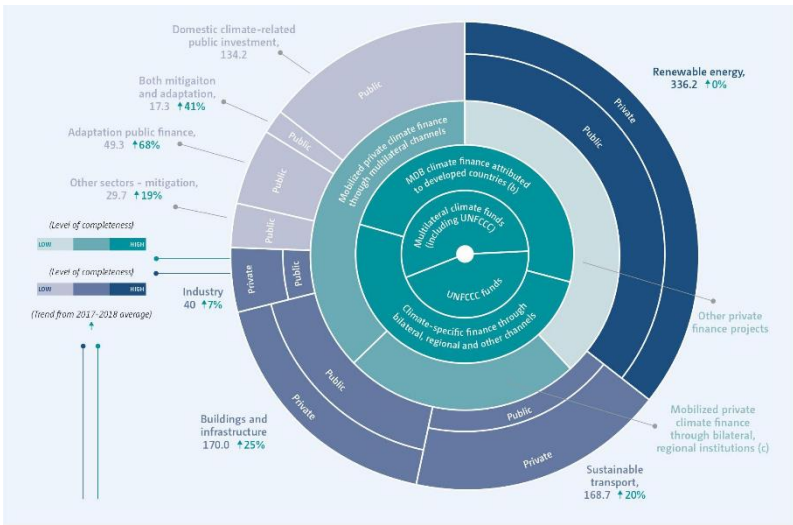
Figure 1  
**Global climate finance flows in 2017–2020 by sector**  
(Billions of United States dollars)



10. The continued decline in renewable energy technology costs in 2019–2020 compared with those in 2017–2018 meant that renewable energy investments, despite the economic slowdown caused by the coronavirus disease 2019 pandemic, remained close to the record high in 2017. Technology cost decreases in 2019–2020 compared with 2018 for onshore wind (13 per cent), offshore wind (9 per cent) and solar photovoltaic (7 per cent) emphasized how greater impacts are now achieved for each new dollar invested. Aggregate investments in new renewable energy generation projects made up the largest segment of global climate finance. The declining costs of renewable energy alongside the maintenance of high levels of investment indicates that the overall deployment of renewable energy technologies has increased in real terms.

11. **Government pandemic recovery packages included up to USD 513 billion of spending allocated to green or climate-related measures (21 per cent of the total USD 2.5 trillion) up until the end of 2020.** Approximately 76 per cent (USD 392 billion) of climate-related recovery spending was announced by developed countries and the remainder by developing countries, particularly those in Asia. Data from climate budget tagging systems and other sources indicated domestic public climate finance amounted to USD 134 billion per year in 2019–2020, half of which was in 21 developing countries and the other half in 6 developed countries or jurisdictions.

Figure 2  
**Climate finance flows in 2019–2020**  
(Billions of United States dollars, annualized)



		2019	2020	Sources of data and relevant section
Global total flows	Renewable energy	325.1	347.3	Section 2.2.3 CPI 2022 based on multiple sources
		Public	108.2	
		Private	216.9	
	Sustainable transport	175.2	162.2	Section 2.2.4 IEA 2021b, CPI 2022 based on multiple sources
		Public	112.1	
		Private	63.1	
	Buildings and infrastructure	160.0	180.0	Section 2.2.5 IEA 2021b, CPI 2022 based on multiple sources
		Public	26.0	
		Private	134.0	
	Industry	45.0	35.0	Section 2.2.6 IEA 2021b, CPI 2022 based on multiple sources
		Public	9.0	
		Private	36.0	
	Other sectors - mitigation <sup>a</sup>	32.2	27.1	Section 2.2.7 and 2.2.8 CPI 2022 based on multiple sources
	Adaptation public finance	42.4	56.2	Section 2.2.9 CPI 2022 based on multiple sources
	Both mitigation and adaptation	15.3	19.3	CPI 2022, based on multiple sources
	Domestic climate-related public investment	134.2	134.2	Section 2.3 Country level reporting, BURs, CPEIRs, various government reports, CPI
Flows to non-Annex I Parties	UNFCCC funds	2.2	2.9	Section 2.5.2 Fund financial reports, CFU
	Multilateral climate funds (including UNFCCC)	2.9	3.5	
	Climate-specific finance through bilateral, regional and other channels	31.9	31.4	Section 2.5.1 Preliminary data from Annex II Parties, subject to change
	MDB climate finance attributed to developed countries <sup>b</sup>	30.5	33.2	Section 2.5.2 OECD 2022a
	Mobilized private climate finance through multilateral channels	8.6	8.0	Section 2.5.4 OECD 2022a
	Mobilized private climate finance through bilateral, regional institutions <sup>c</sup>	5.8	5.1	
	Other private finance projects <sup>d</sup>	7.3	9.6	Section 2.5.4 CPI 2022 based on multiple sources

Notes: (1) Figure note (a): other mitigation investments include industry, waste and wastewater, information and communications technology and other cross-sectoral investments; (2) Figure note (b): includes investments from amounts listed by sector above that are discounted when calculating the global aggregate to avoid double counting; (3) Figure note (c): flows are from developed to developing countries, see section 2.5.2 of the technical report of the fifth BA for further information; (4) Figure note (c): estimates include private finance mobilized through public interventions by developed countries; (5) Figure note (d): this includes private finance in addition to finance mobilized through bilateral and multilateral channels and institutions.

**12. Public climate finance flows from developed to developing countries increased by between 6 and 17 per cent, depending on the source, in 2019–2020 compared with 2017–2018.** Preliminary data from Annex II Parties on climate-specific finance provided for 2019–2020 showed that it increased by 6 per cent from 2017–2018 to USD 40.1 billion per year on average. Most of the climate-specific finance (79 per cent) was channelled through

bilateral, regional and other channels, with the remainder consisting of contributions or inflows to multilateral climate funds and multilateral financial institutions.

13. Mitigation finance constituted the largest share of climate-specific financial support through bilateral, regional and other channels, at 57 per cent (USD 17.9 billion). However, the share of adaptation finance continued to increase – from 20 per cent (USD 6.4 billion) in 2017–2018 to 28 per cent (USD 8.9 billion) in 2019–2020 – as it grew at a higher rate than mitigation finance. In 2019–2020, adaptation finance through bilateral, regional and other channels grew 40 per cent while mitigation finance decreased by 13 per cent. The share of cross-cutting finance, which serves both mitigation and adaptation purposes, stagnated at 14–15 per cent (USD 4.4 billion and USD 4.7 billion) in 2017–2018 and 2019–2020, respectively.

14. UNFCCC funds and multilateral climate funds approved a combined USD 2.9 billion and USD 3.5 billion for climate change projects in 2019 and 2020 respectively. The annual average for 2019–2020 (USD 3.2 billion) represents an increase of 21 per cent compared with the annual average for 2017–2018, attributable primarily to increases in project approvals by the GEF Council, the GCF Board and the Clean Technology Fund. In terms of inflows, the GEF raised USD 5.3 billion from 29 contributors under the GEF-8 replenishment in 2022 for the programming period 2022–2026, an increase of more than 30 per cent compared with the amount raised under GEF-7. Under GEF-8, USD 852 million was allocated to the climate change focal area for mitigation, an increase of 6 per cent compared with the amount allocated under GEF-7. The Adaptation Fund registered USD 356 million in new pledges from 16 donors at COP 26, which is more than triple the amount it raised in 2020 (USD 116 million).

15. MDBs provided USD 46 billion and USD 45 billion in climate finance to developing and emerging economies in 2019 and 2020 respectively. The annual average of USD 45.9 billion in 2019–2020 represents a 17 per cent increase compared with the 2017–2018 amount. The attribution of these flows from developed to developing countries is calculated at USD 29.3–30.5 billion in 2019 and USD 28.2–33.2 billion in 2020.

16. Data on private climate finance flows to developing countries remain challenging to compile and assess. There is a methodological difference between measuring private finance for climate action in general and measuring climate finance mobilized through public interventions. With existing methodologies and approaches, tracking private finance mobilized by technical assistance or policy interventions is difficult. Further, data sources often do not specify whether private funds are sourced from private sector entities in developed or developing countries and whether these funds are received by public or private sector entities from developed or developing countries. OECD estimates that private climate finance mobilized by developed countries through bilateral and multilateral channels amounted to USD 14.4 billion and USD 13.1 billion in 2019 and 2020 respectively. The annual average of USD 13.8 billion represents a 6 per cent decrease compared with the annual average of USD 14.6 billion in 2017–2018.

17. The increase in submissions of BURs from non-Annex I Parties resulted in a greater amount of information on finance being available for the fifth BA than for previous BAs. However, time lags in data availability for reporting made it difficult to compile updated, complete information on finance received in 2019–2020. Of the 79 Parties that had submitted BURs as at 30 June 2022, 28 included some information on climate finance received in 2019 or 2020 in their reports. In total, USD 10.0 billion was reported as received for projects starting in 2019 and USD 1.6 billion for projects starting in 2020. Approximately 81 per cent of the 2019 amount was specified as coming from bilateral institutions in developed countries or multilateral institutions and 15 per cent from institutions based in developing countries; the origin of the finance was unspecified for the remaining amount.

18. **Trends in South–South climate finance flows varied depending on the source of finance.** Finance commitments from International Development Finance Club members based in non-OECD countries to projects in other non-OECD countries amounted to USD 1.7 billion and USD 2.2 billion in 2019 and 2020 respectively, which represented a substantial decrease from the USD 4.1 billion committed in 2018. The Asian Infrastructure Investment Bank and the New Development Bank continued to increase finance flows, and

MDB-attributed financing from non-Annex II Parties increased from around USD 9.1 billion in 2017–2018 to an annual average of USD 11.0 billion in 2019–2020. Investments in renewable energy and sustainable transport projects decreased from an annual average of USD 3.2 billion in 2017–2018 to USD 2.6 billion in 2019–2020. Overall, the availability of data on and the coverage of climate finance flows between developing countries remain limited.

## C. Assessment of climate finance flows

19. **The collective goal of jointly mobilizing USD 100 billion per year by 2020 to address the needs of developing countries in the context of meaningful mitigation action and transparency on implementation was not fully met in 2020.**<sup>7</sup>

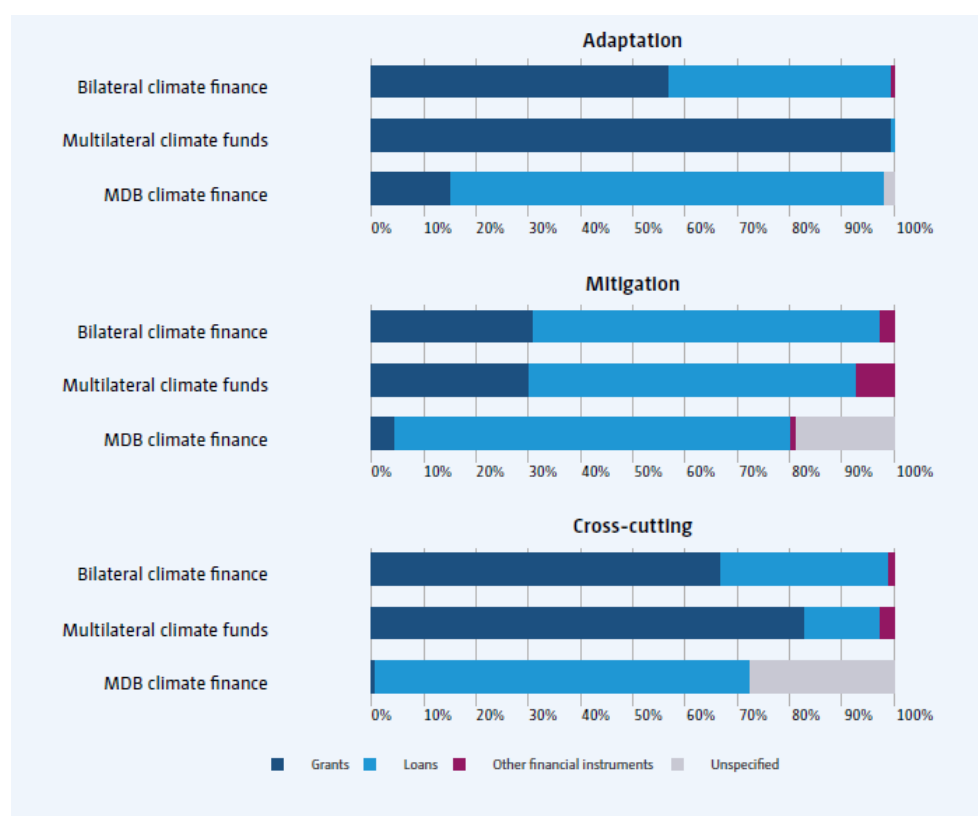
20. **More public finance flows from developed to developing countries are for mitigation than for adaptation, yet adaptation finance has grown significantly through bilateral channels and MDBs.** In 2019–2020, on average, mitigation had a 57 per cent share (USD 17.9 billion) of bilateral climate finance, a 37 per cent share (USD 1.2 billion) of multilateral climate fund climate finance and a 62 per cent share (USD 23.6 billion) of MDB climate finance, while adaptation had corresponding shares of 28, 19 and 36 per cent (USD 9.0 billion, USD 605 million and USD 13.8 billion respectively). Since 2017–2018, adaptation finance from bilateral channels has grown by 39 per cent (USD 2.5 billion) and from MDBs by 48 per cent (USD 6 billion), while adaptation finance from multilateral climate funds has remained constant. The share of public climate finance flows contributing to both adaptation and mitigation from multilateral climate funds rose to 35 per cent (USD 1.1 billion) in 2019–2020 from 27 per cent (USD 785 million) in 2017–2018. When assessing the balance of finance between mitigation and adaptation, it is worth considering different approaches to measuring climate finance flows and considering whether data are adjusted by the financial instrument providing the resources. Information on face-value financial volume can be complemented with information on grant-based equivalent financial volume (as is done by the GCF to assess its mitigation and adaptation split). The number of interventions and information on how different institutions allocate finance can also help inform discussions on balance.

21. **Public adaptation finance is predominantly delivered through grants while public mitigation finance predominantly takes the form of loans.** In 2019–2020, grants accounted for 57 and 99 per cent (USD 8.5 billion and USD 1.2 billion) of the face value of bilateral adaptation finance and of adaptation finance from multilateral climate funds respectively, compared with 64 and 95 per cent (USD 5.9 billion and USD 1.1 billion) respectively in 2017–2018. In 2019–2020, 15 per cent of adaptation finance flowing through the MDBs was grant-based (USD 2.1 billion) (see figure 3). Mitigation finance remains less grant-based in nature, with 31 per cent of bilateral flows (USD 4.6 billion), 30 per cent of multilateral climate fund approvals (USD 865 million) and less than 5 per cent of MDB investments (USD 1.1 billion) taking the form of grants.

<sup>7</sup> For more information see document FCCC/CP/2022/8–FCCC/PA/CMA/2022/7.

Figure 3

**Public climate finance flows from developed to developing countries in 2019–2020, by theme, source and financial instrument**



Source: Analysis of OECD Development Assistance Committee Creditor Reporting System statistics and Climate Funds Update.

22. **Reflecting their geographical and population sizes, Asia and Africa are the regions receiving the largest total amounts of public climate finance.** Asia received the most climate finance for adaptation and mitigation projects and programmes from bilateral channels, multilateral climate funds and MDBs, with an average of 36 per cent of the total climate finance provided. Asia was followed by Africa (average of 27 per cent) and Latin America and the Caribbean (average of 16 per cent). The remainder was shared among developing countries of Eastern and Southern Europe and Oceania.<sup>8</sup> On a per capita basis, the less populous developing country regions Oceania and Eastern and Southern Europe received the largest amounts of climate finance (USD 5.1–49.5 and USD 1.0–84.2 respectively), followed by Latin America and the Caribbean (USD 0.8–10.7), Africa (USD 0.6–8.4) and Asia (USD 0.2–4.0). These data do not, however, consider differing costs for climate change solutions in different regions, adjust for purchasing power or address the relative scale of climate vulnerabilities or emission reduction potential.

23. **Support provided to the LDCs and SIDS as a proportion of overall public climate finance flows remained relatively stable compared with previous years.** In 2019–2020, funding provided to the LDCs accounted for 25 per cent of bilateral flows, 26 per cent of approvals from multilateral climate funds and 20 per cent of MDB climate finance. While bilateral channels and MDBs increased their adaptation finance commitments to the LDCs from 2017–2018 to 2019–2020, multilateral climate funds decreased their adaptation finance while doubling their mitigation finance from 2017–2018 to 2019–2020.

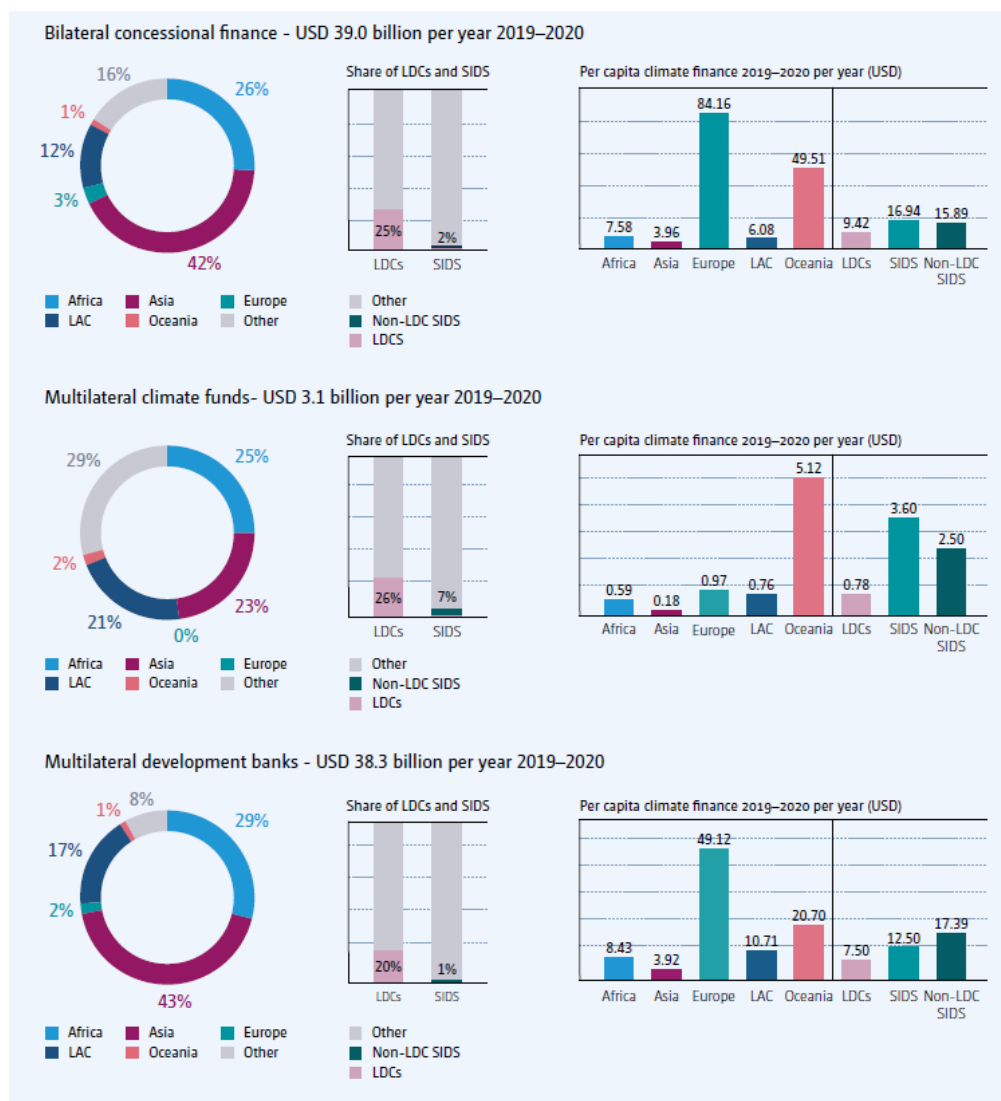
24. In 2019–2020, funding provided to the SIDS accounted for 3 per cent of bilateral flows, 7 per cent of approvals from multilateral climate funds and 2 per cent of MDB climate

<sup>8</sup> The fifth BA, for the first time, presented a geographical breakdown of public bilateral sources, multilateral climate funds and MDBs with a unified regional classification in accordance with the standard country or area codes for statistical use (M49) of the United Nations Statistics Division. Only non-Annex I Parties were included in the country grouping analysis.

finance. International public climate finance flows to SIDS are predominantly adaptation focused. Grant finance plays a strong role in SIDS, ranging from 43 to 89 per cent across the channels analysed. The LDCs and SIDS have specific vulnerabilities and needs, which are partially reflected in the climate finance provided to them on a per capita basis. Per capita climate finance reached USD 3.6–16.9 for SIDS and USD 0.8–9.4 for the LDCs in 2019–2020 (see figure 4).

Figure 4

**Geographical distribution of climate finance by volume and on a per capita basis in 2019–2020**



25. **Between 2016 and 2020, private climate finance mobilized by developed countries for developing countries through bilateral and multilateral channels totalled USD 66.8 billion.** Of this amount, 86 per cent was mobilized for mitigation actions, particularly in the energy sector (53 per cent of total mobilized finance in the five-year period). Private finance mobilized for adaptation actions targeted industry, mining and construction. Private climate finance was mobilized through number of mechanisms, dominated by direct investment in companies and special purpose vehicles, which together accounted for 44 per cent of the total. MDBs mobilized 57 per cent of total estimated private climate finance, followed by bilateral providers and multilateral climate funds. SIDS and the LDCs received 1 and 8 per cent respectively of total private finance mobilized.

26. **Accreditation to multilateral climate funds increased by 36 per cent in 2019–2020, driven by a rising number of national and regional institutions being accredited; however, while national and regional accredited entities now account for**

**more than half of all accredited entities, they accounted for only 10 per cent of financial outflows in 2019–2020.** Climate finance readiness and project preparation initiatives play a key role in facilitating access to climate finance. The number of partners through which developing countries can access multilateral climate funds continues to grow rapidly, driven by GCF accreditation. Efforts are under way to enhance access beyond national and regional entities, by supporting access at the local level.

27. **Interest in country platforms that facilitate country ownership of climate finance flows and their alignment with national priorities is emerging.** Country ownership is a fundamental factor in the delivery of effective finance but is also a broad concept encompassing active stakeholder engagement, links between climate policies and economic growth and development policies, and national spending and tracking systems for climate finance. Recent studies drawing on experience from development cooperation suggest that to be successful in stimulating climate action, country platforms need to secure and maintain political will, coordinate public finance from multiple channels and harness private investment. Also important is that country platforms are tailored to country needs and priorities.

28. **Reported expected and actual results from climate finance providers indicate an increase in portfolio-level emission reductions and number of beneficiaries reached.** Multilateral climate funds reported a combined 96.3 Mt CO<sub>2</sub> eq emission reductions achieved and 54.8 million beneficiaries reached through their interventions. Expected results from the portfolios of approved or currently implemented projects are orders of magnitude higher, for example, 1,980 Mt CO<sub>2</sub> eq emission reductions and 588 million direct and indirect beneficiaries in the GCF portfolio alone. While multilateral climate funds are increasing their transparency and reporting under their results frameworks more regularly, they face persistent challenges in impact measurement, namely, that direct project output indicators are easier to define than outcome indicators and that reporting on actual results is largely dependent on the reporting capacity of implementing entities. MDBs present mitigation and adaptation outcomes to varying degrees against their results and impact frameworks, often for their entire portfolios rather than on climate-specific support, while bilateral contributors have differing approaches to impact reporting. In general, it takes at least several years before being able to report on outcomes and impacts of approved and implemented projects supported by climate finance, and this time lag poses challenges for comprehensive portfolio impact reporting.

29. **The way in which gender issues are addressed under the governance and operational frameworks of the operating entities of the Financial Mechanism and multilateral climate funds has improved.** However, the development of systems for monitoring and reporting on gender-related outcomes at the project and portfolio level is still in progress, as is the building of capacity of the operating entities to implement gender-responsive policies. This suggests work remains to be done on strengthening gender mainstreaming efforts and the availability of gender-disaggregated and other gender-related data to evaluate outcomes.

30. **Global climate finance flows are small relative to the overall needs of developing countries.** Global climate finance in 2019–2020 was estimated to be USD 803 billion. This amount is 31–32 per cent of the annual investment needed for the global temperature rise to follow a well below 2 °C or a 1.5 °C pathway. This level of climate finance is also below what one would expect in the light of the investment opportunities identified and the cost of failure to meet climate stabilization targets.

31. More can be done to ensure that finance flows are consistent with climate change objectives. Such efforts include the reform of fiscal policies, financial policies and regulations and the integration and management of climate risk for financial decision-making processes by private actors and the financial sector, with care taken in all circumstances to manage a just and equitable transition for all.

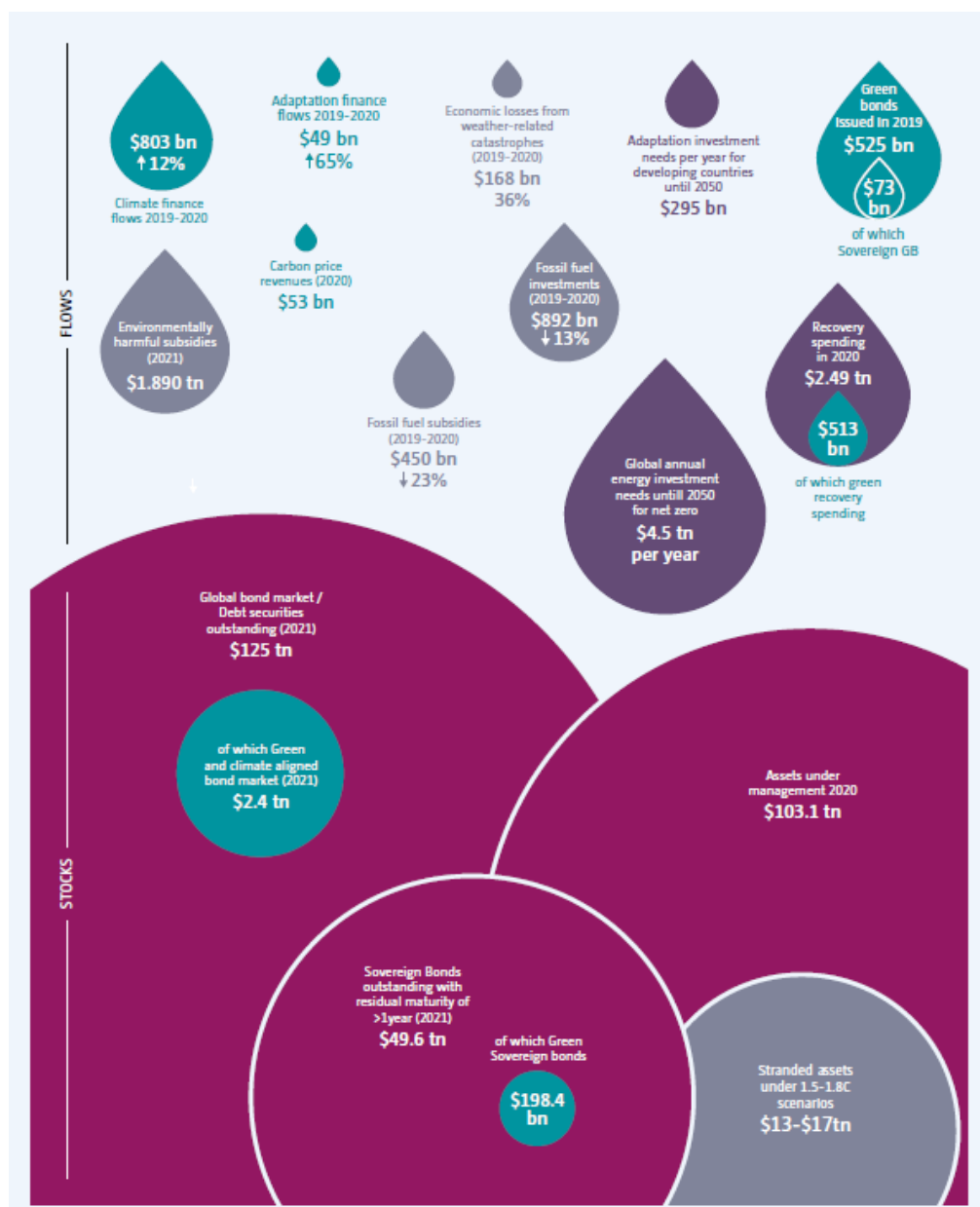
32. Given the scale and speed of effort needed to align finance flows with low-emission, climate-resilient development pathways, it is critical to consider climate finance flows within the context of broader finance flows (see figure 5). A sole focus on positive climate finance flows will be insufficient to meet the overarching purpose and goals of the Paris Agreement.



This does not mean that broader finance flows must all have explicit beneficial climate outcomes, but it does mean that they must integrate climate risks into decision-making and avoid increasing the likelihood of negative climate outcomes.

Figure 5

**Global climate finance in the context of broader finance flows, opportunities and costs**



*Notes:* (1) Data points are provided to place climate finance in context and do not represent an aggregate or systematic view; (2) All flows are global and annual averages for 2019–2020 unless otherwise stated; (3) The representation of stocks that overlap is not necessarily reflective of real-world overlaps. The flows are not representative of all flows contributing to the stocks; (4) Climate finance flows are those represented in section B of the summary and recommendations and chapter 2 of the fifth BA technical report; (5) For data sources, see chapter 3 of the fifth BA technical report.

33. Across the key areas of climate finance identified through the recommendations arising from previous BAs, the findings of the fifth BA reveal both progress and continuing challenges, as presented in the table below.

**Following up on recommendations from previous BAs: progress and challenges**

<i>Area of recommendation<sup>a</sup></i>	<i>Progress</i>	<i>Challenges</i>
Improve transparency of reporting of climate finance provided and received (a), (b), (c), (d)	Improved reporting tables agreed for implementation in 2024 Increasing number of developing countries reporting on climate finance received	Limited capacities and resources to track climate finance received and report on the impacts and outcomes of climate finance
Improve data coverage, granularity and tracking of flows from all sources, including developing country Parties, international financial institutions and private finance data providers (e), (f), (g), (h)	Increasing data coverage for financing of electric vehicles, climate finance mobilized and domestic climate finance reporting	Scarcity of data on energy efficiency, the AFOLU sector, buildings, industrial sectors and adaptation, in particular from the private sector, as well as on South–South cooperation
Align climate finance with national needs, plans, climate change frameworks and priorities, enhancing country ownership (j), (l), (p)	Significantly increased number of direct access entities and national implementing entities and other accredited entities of multilateral climate funds Growing number of national investment plans and strategies to target climate finance Publication of needs determination report	Finance flows channelled through regional and national entities remain low Lack of support for local-level access beyond national or regional entities Methodological, capacity and data limitations in development of project pipelines
Balance funding for mitigation and adaptation (l)	Increase in adaptation finance of 39 and 48 per cent through bilateral channels and MDBs respectively since 2017–2018 Achievement by GCF of a 50:50 balance in mitigation and adaptation on a grant-equivalent basis Most adaptation finance from bilateral channels and multilateral climate funds now in the form of grant finance	Difficulties in costing adaptation needs to inform assessments of balance Different accounting approaches applied for mitigation and adaptation finance to inform assessment of balance
Encourage the uptake of available resources to strengthen institutional capacities for programming climate action and tracking climate finance (k), (l)	21 dedicated access, readiness and project preparation support modalities offered by multilateral climate funds 48 identified national climate funds in countries that are not OECD members 48 jurisdictions with domestic climate finance tracking systems, and 35 taxonomies formulated by 30 jurisdictions and 5 international or national organizations	Different funding requirements of diverse climate finance actors Time lag in reporting from nascent domestic climate finance tracking
Improve tracking and reporting of the impacts of climate finance, including the incorporation of ‘climate proofing’ and climate resilience measures in line with new scientific information (n), (o)	Increased granularity of impact measurement frameworks (three multilateral climate funds have adopted revised frameworks since 2018) Wide availability of expected results reporting Initial development of transformational change indicators	Limited ex post results data in reporting chains Limited availability of climate finance specific portfolio-level impact reporting from MDBs and bilateral sources Trade-offs between results measurement comparability and context-specific impact measurement (including at the country, local and sectoral level)

<i>Area of recommendation<sup>a</sup></i>	<i>Progress</i>	<i>Challenges</i>
		Limited approaches for measuring transformational change
Improve tracking and reporting of gender-related aspects of climate finance (m)	Gender mainstreaming in governance and operational frameworks of climate finance contributors (all multilateral climate funds with revised frameworks or policies since 2018)	Limited implementing capacities and availability of gender-disaggregated data on outcomes and impacts
Update data sets and information relevant to Article 2, paragraph 1(c), of the Paris Agreement (i), (q)	Global proliferation of private and public sector actor approaches for aligning finance flows	Lack of data on implementation of Paris alignment approaches and on common standards in approaches to prevent greenwashing – this complicates evaluation of approaches

<sup>a</sup> Letters in parentheses denote the relevant recommendation from para. 51 of the summary and recommendations of the third (2018) BA (available at <https://unfccc.int/BA-2018>). No recommendations were included in the fourth (2020) BA.

### III. Recommendations

34. The SCF invites the COP and the CMA to consider the recommendations presented in chapter III.A–C below. The three sets of recommendations relate to chapter II.A–C above.

#### A. Methodological issues related to climate finance flows

35. Recommendations on methodological issues related to climate finance flows are as follows:

(a) *Encourage* Parties to report on climate finance provided, mobilized, needed and received in the new common tabular format for their first biennial transparency report to the highest level of granularity possible, taking into account the flexibility for those countries that need it in the light of their capacities, in accordance with the modalities, procedures and guidelines of the enhanced transparency framework under the Paris Agreement, in particular to report annual activity-level data;

(b) *Encourage* Parties to adopt or follow green- and climate-budgeting approaches and improve or establish climate finance tracking systems at the domestic level to inform their implementation of nationally determined contributions and adaptation communications;

(c) *Encourage* climate finance providers and recipients to report climate finance provided, mobilized, needed and received at both the activity- and the country-level;

(d) *Encourage* climate finance and data providers to further improve the data and the methodologies necessary for tracking private finance mobilized by developed countries, and others in a position to do so, through technical assistance, policy support and other public interventions for climate action in developing countries;

(e) *Encourage* Parties and climate finance providers to enhance their methodologies for measuring and reporting on climate finance results and impacts;

(f) *Encourage* Parties and climate finance providers to enhance their reporting on the qualitative aspects of climate finance, including policies, approaches and other factors related to strong enabling environments and delivering results;

(g) *Encourage* Parties, through the enhanced transparency framework and taking into account the work of the SCF on definitions of climate finance, to better track climate finance provided, mobilized, needed and received;

(h) *Encourage* climate finance providers and data aggregators, in keeping with social inclusion and the potential value of information and data from the informal private sector and from local and indigenous communities, as well as noting the usefulness of proxy data, to incorporate into their systems the tracking of climate finance flows and impacts relating to these stakeholders;

- (i) *Encourage* climate finance providers to enhance their reporting on elements relevant to Article 2, paragraph 1(c), of the Paris Agreement, thus increasing the ability to advance work related to pathways for low-emission, climate-resilient development.

## B. Overview of climate finance flows

36. Recommendations on the overview of climate finance flows are as follows:

- (a) *Encourage* climate finance providers, including multilateral and other financial institutions, relevant non-financial institutions and data providers, when reporting on climate finance, to enhance the availability of granular, country-level data on finance for adaptation and resilience as well as on finance for mitigation in the AFOLU and the water and sanitation sectors;
- (b) *Encourage* climate finance providers and recipients to further enhance the tracking of private climate finance, in particular for adaptation activities;
- (c) *Invite* private sector associations and financial institutions to build on the progress made on ways to improve data on climate finance and to engage with the SCF, including through their participation in the forums of the SCF with a view to enhancing the quality of the BA.

## C. Assessment of climate finance flows

37. Recommendations on the assessment of climate finance flows are as follows:

- (a) *Encourage* climate finance providers to continue to enhance country ownership and consider policies to improve the balance between support for mitigation and adaptation at the global level, taking into account country-driven approaches and recipient country capacities and priorities;
- (b) *Encourage* climate finance providers to enhance access and increase climate finance for the LDCs and SIDS;
- (c) *Encourage* developed countries, other climate finance providers and recipients to continue to enhance access to climate finance, including by addressing the barriers to access arising from the complex architecture of multilateral climate funds, and to enhance country ownership through supporting modalities such as direct access entity and national implementing entity accreditation, readiness and project preparation facilities and subnational- and local-level access programmes;
- (d) *Encourage* development finance institutions, in particular MDBs, to continue their essential role in helping developing countries to deliver on their nationally determined contributions by expanding climate investment through either expanding the availability of development assistance or boosting climate-related investment directly;
- (e) *Encourage* developing countries to take advantage of available modalities and to advance in-country efforts to strengthen institutional capacities for climate change programming and for tracking its effectiveness and impacts;
- (f) *Encourage* climate finance providers and recipients to improve the tracking and reporting of portfolio-level results in terms of the impacts and outcomes of climate finance and advance the development of indicators for measuring the outcomes of climate finance interventions;
- (g) *Encourage* climate finance providers and recipients to improve the tracking, reporting and dissemination of best practices in relation to the gender-related aspects of climate finance, impacts of climate finance interventions and gender-responsive budgeting;
- (h) *Request* the SCF, in preparing the sixth BA, to follow up on the recommendations made in this and previous BAs.

*10<sup>th</sup> plenary meeting  
20 November 2022*

## Decision 15/CP.27

### Terms of reference for the second review of the functions of the Standing Committee on Finance

*The Conference of the Parties,*

*Recalling* decisions 6/CP.20, 6/CP.21, 8/CP.22, 9/CP.22, 8/CP.23, 4/CP.24, 11/CP.25, 5/CP.26, 5/CMA.2 and 10/CMA.3,

1. *Adopts* the terms of reference for the second review of the functions<sup>1</sup> of the Standing Committee on Finance, contained in the annex;
2. *Takes note* of the 2022 report of the Standing Committee on Finance to the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,<sup>2</sup> in particular its annex II;
3. *Invites* members of the Standing Committee on Finance, Parties, UNFCCC constituted bodies and external stakeholders to submit via the submission portal,<sup>3</sup> by 30 April 2023, their views on the second review of the functions of the Standing Committee on Finance based on the terms of reference contained in the annex for consideration by the Subsidiary Body for Implementation at its fifty-eighth session (June 2023);
4. *Requests* the Subsidiary Body for Implementation, at its fifty-eighth session, to initiate the second review of the functions of the Standing Committee on Finance, in accordance with the terms of reference, taking into account the submissions referred to in paragraph 3 above;
5. *Also requests* the Subsidiary Body for Implementation to complete its work on the second review of the functions of the Standing Committee on Finance at its fifty-ninth session (November–December 2023) with a view to recommending draft decisions on the matter for consideration and adoption by the Conference of the Parties at its twenty-eighth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fifth session (November–December 2023);
6. *Further requests* the secretariat to prepare a technical paper on the second review of the functions of the Standing Committee on Finance, in accordance with the terms of reference, taking into account the deliberations and conclusions of the Subsidiary Body for Implementation at its fifty-eighth session and the submissions referred to in paragraph 3 above, for consideration by the Subsidiary Body for Implementation at its fifty-ninth session;
7. *Invites* the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement to affirm this decision, including the terms of reference, with respect to the review of the functions of the Standing Committee on Finance as it relates to the Paris Agreement;
8. *Takes note* of decision 15/CMA.4 on the review of the functions of the Standing Committee on Finance.

<sup>1</sup> Pursuant to decision 11/CP.25, para. 17.

<sup>2</sup> FCCC/CP/2022/8–FCCC/PA/CMA/2022/7.

<sup>3</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

## **Annex**

### **Terms of reference for the second review of the functions of the Standing Committee on Finance**

#### **I. Objective**

1. The objective of the second review is to review the functions of the Standing Committee on Finance (SCF) with a view to:

- (a) Strengthening the work of the SCF, as appropriate;
- (b) Identifying opportunities for increased efficiency and effectiveness;
- (c) Informing Parties on the extent to which the existing activities and working modalities of the SCF facilitate the fulfilment of its mandate to serve the Paris Agreement in line with decision 1/CP.21, paragraph 63;
- (d) Taking into account interrelated review processes, such as the review of the Financial Mechanism.

#### **II. Scope**

2. The scope of the review will cover progress to date and lessons learned in the fulfilment of the mandate of the SCF to assist the Conference of the Parties (COP) and serve the Paris Agreement in the exercise of its functions with respect to the Financial Mechanism. In this context, the review should:

- (a) Be based on the current mandate and functions of the SCF;
- (b) Be informed by the work on climate finance conducted by other entities;
- (c) Examine whether any gaps exist in the delivery of the work of the SCF and how they can be addressed, taking into consideration the capacity of the SCF to deliver its work.

3. The review should address the following elements:

- (a) Assessment of the extent to which the SCF has effectively delivered on its four core functions and mandated activities<sup>1</sup> outlined in relevant decisions and, in this regard, take stock of past achievements of the SCF in terms of its concrete outputs and how they have been utilized;
- (b) Identification of the potential need for reorientation or reprioritization of the existing functions of the SCF;
- (c) Assessment of whether the working modalities of the SCF, including the participation of its members, are fit for purpose for carrying out its functions;
- (d) Quality of outputs;
- (e) Linkages with the constituted bodies under the Convention and the Paris Agreement;
- (f) Relations with relevant external stakeholders.

#### **III. Sources of information**

4. The review shall draw upon, inter alia, the following sources of information:

---

<sup>1</sup> As per decision 2/CP.17.

- (a) Submissions from members of the SCF, Parties to the Convention and the Paris Agreement, and the constituted bodies under the Convention and the Paris Agreement, as well as external stakeholders involved in the activities of the SCF;
- (b) Annual reports of the SCF;
- (c) Relevant decisions of the COP and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) relating to the SCF;
- (d) Outputs delivered by the SCF;
- (e) The self-assessment report of the SCF and recommendations on improving its efficiency and effectiveness;
- (f) The technical paper, to be prepared by the secretariat, referred to in paragraph 6 of this decision.

#### IV. Criteria

- 5. The review shall take into account, inter alia, the following:
  - (a) The effectiveness and efficiency of the SCF in the delivery of its functions;
  - (b) The transparency of its decision-making processes;
  - (c) The inclusiveness and geographical representation of the SCF;
  - (d) The level and nature of its stakeholder engagement;
  - (e) The quality and added value of the outputs of the SCF, including how they were received by the COP, the CMA and external stakeholders, and in particular how its recommendations have informed and advanced the work of the COP and the CMA;
  - (f) The timeliness of the outputs of the SCF.

*10<sup>th</sup> plenary meeting*  
*20 November 2022*

## Decision 16/CP.27

### Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund

*The Conference of the Parties,*

*Recalling* decision 3/CP.17, annex,

1. *Welcomes* the report of the Green Climate Fund to the Conference of the Parties at its twenty-seventh session and its addendum,<sup>1</sup> including the information on actions taken by the Board of the Green Climate Fund in response to guidance received from the Conference of the Parties;
2. *Also welcomes* the ongoing efforts of the Green Climate Fund to make a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change and adapting to its impacts and contributing to the achievement of the objective of the Convention, while taking into account the needs of developing countries;
3. *Further welcomes* the progress under the Green Climate Fund in 2022, including in relation to actions taken by the Board in response to guidance provided by the Conference of the Parties:
  - (a) The increase in the number of funding proposals approved, which brings the total amount approved by the Board to USD 11.3 billion to support implementation of 209 adaptation and mitigation projects and programmes in 128 developing countries;
  - (b) The increase in the number of entities accredited by the Board, which brings the total number of accredited entities to 114, of which 72 are direct access entities;
  - (c) The increase in the approval of grants for readiness support for national adaptation plans and other adaptation planning processes, bringing the total number of grants approved to 87;
  - (d) The update of the Simplified Approval Process, including increasing the Green Climate Fund funding amount per proposal to USD 25 million and introducing further simplification;
  - (e) The adoption of the updated accreditation framework, which includes the implementation of the project-specific assessment approach as a complementary modality to the institutional accreditation process, and the adoption of an accreditation strategy;
  - (f) The adoption of decisions concerning guidance on the Green Climate Fund vision, approach and scope for providing support to enhance climate adaptation, and on principles for demonstrating the impact potential of mitigation and adaptation activities;
  - (g) The adoption of the Private Sector Strategy;
  - (h) The adoption of a policy for minimizing the effect of currency fluctuations;
  - (i) The operationalization of the integrated results management framework;
  - (j) The operationalization of the Indigenous Peoples Advisory Group;
  - (k) The continued collaboration of the Green Climate Fund with the Adaptation Committee, the Climate Technology Centre and Network, the Least Developed Countries Expert Group and the Technology Executive Committee;
4. *Requests* the Board to ensure that the conditions it applies to projects are not inconsistent with approved policies and procedures;

---

<sup>1</sup> FCCC/CP/2022/4 and Add.1.



5. *Welcomes* the Fund's ongoing work to develop the Strategic Plan for the Green Climate Fund for 2024–2027;
6. *Also welcomes* the launch of the second replenishment of the Green Climate Fund, for the period 1 January 2024 to 31 December 2027, and *recalls* that the Fund will receive financial inputs from developed country Parties to the Convention and may receive financial inputs from a variety of other sources, public and private, including alternative sources;<sup>2</sup>
7. *Requests* the Board to continue to enhance coherence and complementarity of the Green Climate Fund with other relevant bilateral, regional and global funding mechanisms and institutions to better mobilize the full range of financial and technical capacities;
8. *Underscores* the importance of the Green Climate Fund's role in supporting the implementation of actions associated with developing countries' adaptation priorities and *urges* the Board to improve technical and capacity-building support for the development of projects and programmes based on national adaptation plans in line with the Board's approved guidance on support for adaptation;<sup>3</sup>
9. *Requests* the Board to continue to enhance support for the formulation and implementation of national adaptation plans to enable developing countries to take effective adaptation action;
10. *Welcomes* the continued support of the Board under the Readiness and Preparatory Support Programme for enhancing support for technology development and transfer and capacity-building and *encourages* the Board to continue to support developing countries in this regard;
11. *Also encourages* the Board to continue work on the request for proposals to establish technology incubators and accelerators in developing countries;
12. *Requests* the Board to continue to accredit direct access entities, especially national and regional entities and institutions, in line with the updated accreditation framework and accreditation strategy, focusing on countries and regions with no or few accredited entities;
13. *Urges* the Board to maintain the balance it has approved between finance for adaptation and that for mitigation over time and to provide ambitious levels of adaptation support, emphasizing the need for adaptation as stated in decision 7/CP.20, paragraph 12;
14. *Requests* the Board to continue to address the needs of developing countries that are particularly vulnerable to the adverse effects of climate change;
15. *Invites* the Board to enhance support for the least developed countries, small island developing States and other developing countries in developing project pipelines and proposals, as well as for adaptation actions associated with the priorities in their national adaptation plans;
16. *Encourages* the Board to continue supporting results-based payments through policy approaches and incentives for enhancing the contributions of developing countries to global mitigation efforts through the implementation of activities relating to reducing emissions from deforestation and forest degradation, conserving forest carbon stocks, sustainably managing forests and enhancing forest carbon stocks;<sup>4</sup>
17. *Invites* the Board to support the comprehensive implementation of the Fund's Private Sector Strategy and in this context support the Fund's engagement with the private sector, in particular local private sector actors and micro-, small and medium-sized enterprises, to catalyse climate finance at scale, promote technical innovation and de-risk investments, including by providing early-stage and grant-based financing to the local private sector and start-ups in developing countries;

---

<sup>2</sup> Governing Instrument for the Green Climate Fund, paras. 29–30.

<sup>3</sup> In accordance with decision 1/CP.21, para. 46.

<sup>4</sup> As referred to in decision 1/CP.16, para. 70, and decision 1/CP.13, para. 1(b)(iii).

18. *Requests* the Board to consider enhancing ambition in the next version of its gender policy and *invites* the Board to take into account the implementation of the enhanced Lima work programme and its gender action plan within its existing guidance;
19. *Encourages* the Board to consider enhancing the provision of support through the Readiness and Preparatory Support Programme for the development of national and subnational gender strategies, as they relate to climate, and consider further strengthening the gender programming of Green Climate Fund activities through supporting the implementation of the policies and projects therein;
20. *Urges* the Board to continue incorporating indigenous peoples' and local communities' interests, perspectives, knowledge and climate priorities into its decision-making, including through its indigenous peoples policy and the recommendations of the Indigenous Peoples Advisory Group as well as through continued engagement with, inter alia, the Facilitative Working Group of the Local Communities and Indigenous Peoples Platform and the International Indigenous Peoples' Forum on Climate Change;
21. *Invites* Parties to submit to the secretariat views and recommendations on elements of guidance for the Green Climate Fund via the submission portal<sup>5</sup> no later than 10 weeks prior to the twenty-eighth session of the Conference of the Parties (November–December 2023);
22. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 21 above in preparing its draft guidance for the Green Climate Fund for consideration by the Conference of the Parties at its twenty-eighth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fifth session (November–December 2023);
23. *Also requests* the Board to include in its annual report to the Conference of the Parties information on the steps it has taken to implement the guidance provided in this decision;
24. *Takes note* of decision 16/CMA.4 and *decides* to transmit to the Green Climate Fund the guidance from the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement contained in paragraphs 2–7 of that decision.<sup>6</sup>

10<sup>th</sup> plenary meeting  
20 November 2022

---

<sup>5</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

<sup>6</sup> In accordance with decision 1/CP.21, para. 61.

## Decision 17/CP.27

### Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility

#### *The Conference of the Parties*

1. *Welcomes* the report of the Global Environment Facility to the Conference of the Parties at its twenty-seventh session and its addendum,<sup>1</sup> including the response of the Global Environment Facility to the guidance received from the Conference of the Parties;
2. *Also welcomes* the work undertaken by the Global Environment Facility during the reporting period 1 July 2021 to 30 June 2022, including:
  - (a) The approval of 86 climate change projects and programmes under the Global Environment Facility Trust Fund, the Least Developed Countries Fund and the Special Climate Change Fund;
  - (b) The continued integration of climate change priorities into its other focal areas and integrated programmes and the expected avoidance or sequestration of 76.6 million tonnes of carbon dioxide equivalent achieved through such integration;
  - (c) The continued implementation of the long-term vision on complementarity, coherence and collaboration between the Green Climate Fund and the Global Environment Facility;<sup>2</sup>
  - (d) The creation of a competitive window in the System for Transparent Allocation of Resources amounting to 8 per cent of the System for Transparent Allocation of Resources allocation for the five top recipient countries under this system;
3. *Further welcomes* the conclusion of the eighth replenishment of the Global Environment Facility amounting to USD 5.3 billion, while noting that overall resources available for programming for the climate change focal area in the eighth replenishment increased by 6 per cent compared with the resources available in the seventh replenishment;
4. *Welcomes* the integrated programming approach of the Global Environment Facility across all five of its focal areas,<sup>3</sup> which should help it to maximize the global environmental benefits of its support;
5. *Notes* the adoption of the private sector engagement strategy<sup>4</sup> by the Global Environment Facility Council at its 59<sup>th</sup> meeting and the renewed non-grant instrument under the eighth replenishment of the Global Environment Facility and *encourages* the Global Environment Facility to enhance its efforts to mobilize and engage with the private sector during the eighth replenishment period;
6. *Welcomes* the increased allocation of resources to small island developing States and the least developed countries in the eighth replenishment of the Global Environment Facility under the System for Transparent Allocation of Resources, including through harmonizing the small island developing State floors with the least developed country floors and raising these floors to USD 8 million;
7. *Appreciates* the efforts of the Global Environment Facility secretariat to scale up adaptation finance for small island developing States through the designation of a dedicated window under the Special Climate Change Fund for supporting the adaptation needs of small island developing States and *encourages* continued and increased voluntary contributions of

<sup>1</sup> FCCC/CP/2022/5 and Add.1.

<sup>2</sup> Global Environment Facility Council document GEF/C.60/08.

<sup>3</sup> The five focal areas under the work programme of the Global Environment Facility Trust Fund are biodiversity, chemicals and waste, climate change, international waters and land degradation.

<sup>4</sup> Global Environment Facility Council document GEF/C.59/07/Rev.01.

financial resources to the Least Developed Countries Fund and the Special Climate Change Fund in line with the Global Environment Facility's 2022–2026 programming strategy on adaptation to climate change for the Least Developed Countries Fund and the Special Climate Change Fund;<sup>5</sup>

8. *Also encourages* the Global Environment Facility, in administering the Least Developed Countries Fund and the Special Climate Change Fund, to support developing country Parties in implementing national adaptation plans and other national adaptation planning processes and *urges* developed country Parties to increase their voluntary contributions to the Least Developed Countries Fund and the Special Climate Change Fund;

9. *Encourages* the Global Environment Facility to work towards implementing its programming strategy on adaptation to climate change for the Least Developed Countries Fund and the Special Climate Change Fund during the eighth replenishment of the Global Environment Facility so as to effectively assist developing countries;

10. *Requests* the Global Environment Facility to continue to foster greater diversity of its implementing agencies, building on the comparative advantages of the various agencies and taking into account recipient country priorities;

11. *Calls on* the Global Environment Facility to enhance its support, within its mandate, for implementing the enhanced Lima work programme on gender and its gender action plan;<sup>6</sup>

12. *Encourages* the Global Environment Facility secretariat to recommend further streamlining measures aimed at reducing transaction costs for all implementing agencies, reducing administrative costs and facilitating increased access by multilateral development banks;

13. *Requests* the Global Environment Facility to report on its efforts to deliver the increased per-project funding ceiling under its Small Grants Programme agreed on during the eighth replenishment process;

14. *Welcomes* the Global Environment Facility's commitment to maintain an ambitious level of direct and indirect climate co-benefits in its eighth replenishment;

15. *Requests* the Global Environment Facility to further explore ways to provide support to developing country Parties for assessing their needs and priorities in a country-driven manner, including technology and capacity-building needs, and for translating climate finance needs into action;

16. *Urges* the further enhancement of the support provided by the Global Environment Facility for activities related to technology training, funding for technology development and transfer and capacity-building;

17. *Encourages* the continuing engagement of the Global Environment Facility with the Green Climate Fund, including in implementing the Long-term Vision on Complementarity, Coherence and Collaboration between the Green Climate Fund and the Global Environment Facility;<sup>7</sup>

18. *Requests* the Global Environment Facility, as appropriate, to ensure that its policies and procedures related to the consideration and review of funding proposals are duly followed in an efficient manner;

19. *Invites* Parties to submit their views and recommendations on elements of guidance for the Global Environment Facility via the submission portal<sup>8</sup> no later than 10 weeks prior to the twenty-eighth session of the Conference of the Parties (November–December 2023);

20. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 19 above when preparing its draft guidance for the Global Environment Facility for consideration by the Conference of the Parties at its twenty-

<sup>5</sup> Global Environment Facility Council document GEF/LDCF.SCCF/SM.03/01.

<sup>6</sup> Decision 3/CP.25.

<sup>7</sup> Global Environment Facility Council document GEF/C.60/08.

<sup>8</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

eighth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fifth session (November–December 2023);

21. *Also requests* the Global Environment Facility to include in its annual report to the Conference of the Parties information on the steps it has taken to implement the guidance provided in this decision;

22. *Takes note* of decision 17/CMA.4 and *decides* to transmit to the Global Environment Facility the guidance from the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement contained in paragraphs 2–10 of that decision.<sup>9</sup>

*10<sup>th</sup> plenary meeting*  
*20 November 2022*

---

<sup>9</sup> In accordance with decision 1/CP.21, para. 61.

## Decision 18/CP.27

### Enhancing climate technology development and transfer through the Technology Mechanism

*The Conference of the Parties,*

*Recalling* decisions 2/CP.17, 1/CP.21, 15/CP.22, 21/CP.22, 15/CP.23, 12/CP.24, 13/CP.24, 14/CP.25 and 9/CP.26,

1. *Notes* the joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network for 2022<sup>1</sup> and their progress in facilitating effective implementation of the Technology Mechanism;
2. *Welcomes* the collaboration of the Technology Executive Committee and the Climate Technology Centre and Network in their joint work in 2022<sup>2</sup> and *invites* them to continue undertaking joint work and enhance their exchange of systematic feedback with a view to ensuring coherence and synergy and effective implementation of the Technology Mechanism;
3. *Welcomes with appreciation* the first joint work programme of the Technology Mechanism, for 2023–2027,<sup>3</sup> developed to strengthen the Technology Mechanism to support the transformational changes needed to achieve the goals of the Convention;
4. *Welcomes* the key joint activities and common areas of work outlined in the joint work programme: technology road maps, digitalization, national systems of innovation, water–energy–food systems, energy systems, buildings and infrastructure, business and industry, and technology needs assessment;
5. *Invites* the Technology Executive Committee and the Climate Technology Centre and Network to jointly pursue collaborative partnerships and strategic engagement with bodies, processes and initiatives under and outside the Convention, including in the private sector, with a view to facilitating the implementation of all activities under the joint work programme;
6. *Also invites* the Technology Executive Committee and the Climate Technology Centre and Network to strengthen their systematic engagement with national designated entities, including through regional forums for national designated entities, to increase the reach and impact of the work of the Technology Mechanism on policies and practices on the ground;
7. *Further invites* Parties, the Technology Executive Committee and the Climate Technology Centre and Network to explore ways to provide enhanced technical and logistical support to national designated entities, including through collaboration with the public and private sector;
8. *Commends* the continued efforts of the Technology Executive Committee and the Climate Technology Centre and Network in mainstreaming gender considerations in their work and *requests* the Technology Executive Committee and the Climate Technology Centre and Network to swiftly finalize the two global rosters of female experts in the area of climate technology and of female and male experts on gender and climate change;
9. *Welcomes* the collaboration of the Technology Executive Committee and the Climate Technology Centre and Network with the operating entities of the Financial Mechanism and *strongly encourages* the two bodies to continue such collaboration with a view to enhancing the capacity of developing countries to prepare project proposals and facilitating their access to available funding for technology development and transfer;

<sup>1</sup> FCCC/SB/2022/4.

<sup>2</sup> See the table on joint activities of the Technology Executive Committee and the Climate Technology Centre and Network for 2022–2023, available at <https://unfccc.int/tclear/tec>.

<sup>3</sup> Available at <https://unfccc.int/tclear/tec/documents.html>.

10. *Acknowledges* the work on incubators and accelerators planned by the Technology Executive Committee and the Climate Technology Centre and Network under the joint work programme and *invites* the two bodies to continue to work with developing country Parties, in particular the least developed country Parties and small island developing States, to promote the use of incubators and accelerators and to support the development of funding proposals that incorporate their use for submission to the operating entities of the Financial Mechanism;

11. *Requests* the Technology Executive Committee and the Climate Technology Centre and Network to continue to enhance their efforts to monitor and evaluate the impacts of their work, including identifying new ways to invite feedback from national designated entities on the impact of the work of the Technology Mechanism such as through more practical and effective surveys;

12. *Expresses its appreciation* for the voluntary financial contributions provided by Parties for supporting the work of the Technology Executive Committee and the Climate Technology Centre and Network to date and *encourages* the provision of enhanced support for the work of the Technology Executive Committee and the Climate Technology Centre and Network through financial and other resources;

13. *Notes* that the joint annual report referred to in paragraph 1 above does not contain information on how the Technology Executive Committee and the Climate Technology Centre and Network responded to mandates of Parties in the implementation of their work and *requests* the two bodies to include such information in their joint annual reports;

14. *Encourages* the secretariats supporting the Technology Executive Committee and the Climate Technology Centre and Network to collaborate closely, including on resource mobilization, to ensure effective implementation of the joint work programme;

## **I. Activities and performance of the Technology Executive Committee in 2022**

15. *Invites* Parties and relevant stakeholders to consider the relevant key messages and the implementation of recommendations of the Technology Executive Committee for 2022 and *also invites* the Technology Executive Committee and the Climate Technology Centre and Network to consider the recommendations addressed directly to them;

16. *Encourages* the Technology Executive Committee to continue its efforts to enhance its visibility and outreach to Parties, including through their respective national designated entities, UNFCCC constituted bodies and other relevant stakeholders, and maximize the uptake of its recommendations;

17. *Notes with concern* that gender balance in the composition of the Technology Executive Committee has not yet been achieved and *encourages* Parties to nominate more female candidates for the Technology Executive Committee towards achieving gender balance in its composition;

18. *Recalls* decision 9/CP.26, paragraph 15, and *decides* that the Technology Executive Committee shall comprise, in addition to its current membership, one additional member from Parties included in Annex I to the Convention and one additional member from Parties not included in the Annex I to the Convention that are not represented by the regions referred to in paragraph 1(b) of appendix IV to decision 1/CP.16;

## **II. Activities and performance of the Climate Technology Centre and Network in 2022**

19. *Notes with appreciation* the actions taken in response to the second independent review of the Climate Technology Centre and Network<sup>4</sup> and *encourages* the Climate

---

<sup>4</sup> Pursuant to decision 11/CP.26.

Technology Centre and Network to continue implementing the recommendations therein and report on their implementation in its next annual report;

20. *Also encourages* the Climate Technology Centre and Network to continue providing support to developing countries, on request, including those that have not yet received support for technical assistance from the Climate Technology Centre and Network, including by mobilizing private sector entities and Network members, with a view to building and strengthening the capacity of developing countries to assess their technology needs, develop and implement technology action plans, scale up technical assistance and access available funding for implementation of mitigation and adaptation actions;

21. *Welcomes* the launch of the Partnership and Liaison Office in Songdo, Republic of Korea, and *requests* the Climate Technology Centre and Network to include information on its experience in and lessons learned from the operation of its Partnership and Liaison Office in Songdo in its annual reports;

22. *Notes with concern* that securing funding for implementing the mandates of the Technology Mechanism remains an important challenge and *encourages* the provision of enhanced support to the Technology Mechanism;

23. *Appreciates* the efforts of the Climate Technology Centre and Network to mobilize a diverse range of resources, including pro bono and in-kind contributions, and *requests* the Climate Technology Centre and Network to finalize and implement a resource mobilization and partnership strategy and to include information thereon in its annual reports;

24. *Welcomes with appreciation* the reaccreditation of the United Nations Environment Programme and the upgrade to the medium-sized project budget category, by the Green Climate Fund Board, for the submission of funding proposals to the Green Climate Fund;

25. *Welcomes* the ongoing work by the Climate Technology Centre and Network on the development of two medium-sized projects and *encourages* the Climate Technology Centre and Network to consider regional balance in the development of future projects and to report on the use of the Project Preparation Facility under the Green Climate Fund in its annual reports.

*9<sup>th</sup> plenary meeting*  
*17 November 2022*



## Decision 19/CP.27

### Annual technical progress report of the Paris Committee on Capacity-building for 2022

*The Conference of the Parties,*

*Recalling* decisions 2/CP.17, 1/CP.21, 2/CP.22, 16/CP.22, 16/CP.23, 15/CP.24, 8/CP.25 and 12/CP.26,

1. *Welcomes* the annual technical progress report of the Paris Committee on Capacity-building for 2022<sup>1</sup> and *takes note* of the recommendations therein;<sup>2</sup>
2. *Invites* Parties, as appropriate, the operating entities of the Financial Mechanism, the constituted bodies under the Convention, United Nations organizations, observers and other stakeholders to consider the recommendations referred to in paragraph 1 above and to take any necessary action, as appropriate and in accordance with their mandates;
3. *Acknowledges* the progress of the Paris Committee on Capacity-building in delivering on its mandate to address gaps and needs, both current and emerging, in implementing capacity-building in developing country Parties and further enhancing capacity-building efforts, including with regard to coherence and coordination of capacity-building activities under the Convention;
4. *Also acknowledges* the progress of the Paris Committee on Capacity-building in implementing its workplan for 2021–2024<sup>3</sup> on the basis of the priority areas and activities set out in the annex to decision 9/CP.25;
5. *Welcomes* the new monitoring and evaluation framework of the Paris Committee on Capacity-building, as well as the findings from the monitoring and evaluation of the outputs, outcomes, and impact and effectiveness of its workplan activities between September 2021 and July 2022;<sup>4</sup>
6. *Also welcomes* the work of the Paris Committee on Capacity-building in relation to enhancing coherence and coordination of capacity-building activities under the Convention, including its collaboration with constituted bodies and other stakeholders in this regard;
7. *Further welcomes* the continued collaboration of the Paris Committee on Capacity-building with Parties and non-Party stakeholders on capacity-building for climate action, as well as on addressing cross-cutting issues, including human rights, gender responsiveness, youth, Action for Climate Empowerment and indigenous peoples' knowledge, such as through the PCCB Network, the informal coordination group for capacity-building under the Convention and the Paris Agreement, the Durban Forum on capacity-building, the Capacity-building Hub and social media outreach;
8. *Takes note* of the 2023 focus area of the Paris Committee on Capacity-building of capacity-building support for adaptation, with a focus on addressing gaps and needs related to formulating and implementing national adaptation plans;<sup>5</sup>
9. *Notes* that capacity gaps and needs still exist in developing countries pertaining to the implementation of the Convention;

<sup>1</sup> FCCC/SBI/2022/14.

<sup>2</sup> FCCC/SBI/2022/14, chap. III.

<sup>3</sup> FCCC/SBI/2020/13, annex I.

<sup>4</sup> FCCC/SBI/2022/14, annex I.

<sup>5</sup> See document FCCC/SBI/2022/14, para. 14.

10. *Invites* Parties and relevant institutions, as appropriate, to provide support and resources to the Paris Committee on Capacity-building for implementing its workplan for 2021–2024 in the light of the aim of the Committee established in decision 1/CP.21.

*9<sup>th</sup> plenary meeting*  
*17 November 2022*

## Decision 20/CP.27

### Report of the forum on the impact of the implementation of response measures

*The Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* decisions 7/CP.24, 3/CMP.14, 7/CMA.1, 4/CP.25, 4/CMP.15, 19/CP.26 and 7/CMP.16,

1. *Welcome* the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures annual reports for 2019<sup>1</sup> and 2021–2022;<sup>2</sup>
2. *Take note* of the conclusion of consideration of the Katowice Committee on Impacts annual reports for 2019 and 2021–2022 by the forum on the impact of the implementation of response measures;
3. *Adopt* the recommendations forwarded by the forum contained in sections I–VI below, pertaining to:
  - (a) Lessons learned and best practices from analysis and assessment of positive and negative impacts of the implementation of response measures by Parties;
  - (b) Activities 2, 3, 4, 5 and 11 respectively of the workplan of the forum and its Katowice Committee on Impacts;<sup>3</sup>
4. *Invite* Parties, observer organizations and stakeholders to implement the recommendations in sections I–VI below, as applicable;
5. *Request* the forum and its Katowice Committee on Impacts and the secretariat to implement the recommendations in sections I–VI below, as applicable;
6. *Appreciate* the progress of the Katowice Committee on Impacts in supporting the work of the forum on the impact of the implementation of response measures;
7. *Welcome* the informal notes prepared by the Chairs of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation for the workshops held in conjunction with the fifty-sixth sessions of the subsidiary bodies on workplan activities 3, 4, 9 and 11;
8. *Appreciate* the technical session on implementing activities 5 and 11 of the workplan and *express their gratitude* to the experts contributing to the work of the forum and its Katowice Committee on Impacts;
9. *Also express their gratitude* to the Government of Antigua and Barbuda, the Government of Senegal, the International Labour Organization and the United Nations Development Programme for their in-kind, financial, administrative and substantive support that contributed to the success of the regional workshops held from 20 to 22 April 2022 in St. John's, Antigua and Barbuda, and from 21 to 23 September 2022 in Saly, Senegal, on activity 3 of the workplan;
10. *Note* that the midterm review of the workplan of the forum could not be concluded at these sessions, *take note* of the informal note on the midterm review<sup>4</sup> and *request* the forum to continue the midterm review at the fifty-eighth sessions of the subsidiary bodies (June 2023);

<sup>1</sup> Document KCI/2019/2/4.

<sup>2</sup> Document FCCC/SB/2022/6.

<sup>3</sup> Contained in annex II to decisions 4/CP.25, 4/CMP.15 and 4/CMA.2.

<sup>4</sup> Available at <https://unfccc.int/documents/624251>. The content of the note does not represent consensus among Parties.

11. *Also request* the secretariat to organize a regional workshop on activity 3 of the workplan by the fifty-ninth sessions of the subsidiary bodies (November–December 2023), in collaboration with relevant organizations and stakeholders, to address regional needs and acknowledge the work that has been carried out by the Katowice Committee on Impacts and *note* that further regional workshops on activity 3 can be decided on by the forum;

12. *Invite* Parties and observers to submit via the submission portal,<sup>5</sup> by April 2023, their views and guiding questions for the review of the functions, work programme and modalities of the forum<sup>6</sup> and *request* the secretariat to prepare the summary of the submissions as a basis of the discussion of the review, which is to start at the fifty-eighth and conclude at the fifty-ninth sessions of the subsidiary bodies;

13. *Take note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in paragraphs 3, 11 and 12 above;

14. *Request* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources;

## **I. Lessons learned and best practices from analysis and assessment of positive and negative impacts of the implementation of response measures by Parties**

15. *Encourage* Parties to consider:

(a) Developing methodologies and tools, including modelling tools, for the assessment and analysis of the impacts of the implementation of response measures in consultation with technical experts, practitioners and other relevant stakeholders, as appropriate;

(b) Building capacity for development and deployment of methodologies and tools, in particular of developing country Parties, to inform and support national climate change mitigation and sustainable development priorities and policies;

(c) Developing more national, regional and sector-specific case studies involving the assessment and analysis of the impacts of the implementation of response measures to enable an exchange of experience among Parties;

## **II. Activity 2<sup>7</sup> of the workplan**

16. *Encourage* Parties to invest in the early planning of just transition policies that are inclusive and based on stakeholder engagement;

17. *Also encourage* countries at very low levels of economic development to prioritize getting the fundamentals right prior to undertaking economic diversification, noting that as countries develop, multiple diversification paths become available;

18. *Request* the secretariat, while noting that national circumstances differ, to conduct peer-to-peer learning, where possible, to facilitate planning and implementation of effective policies;

---

<sup>5</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

<sup>6</sup> Activity e of the workplan as contained in annex II to decisions 4/CP.25, 4/CMP.15 and 4/CMA.2.

<sup>7</sup> Identify country-driven strategies and best practices on just transition of the workforce and creation of decent work and quality jobs and on economic diversification and transformation focusing on challenges and opportunities from the implementation of low greenhouse gas emission policies and strategies towards the achievement of sustainable development.

### III. Activity 3<sup>8</sup> of the workplan

19. *Encourage* Parties to:

(a) Consider the availability of country-level expertise, training, support and consultancy services when selecting a tool or methodology for assessing the impacts of the implementation of response measures;

(b) Invest in data collection in line with national and international standards (for example, the United Nations System of National Accounts or the System of Environmental-Economic Accounting);

(c) Establish capacity-building partnerships and networks for increasing the representation of developing countries in the use and development of impact assessment tools and methods for assessing the impacts of the implementation of response measures;

(d) Consider both qualitative and quantitative methods for assessing the impact of the implementation of response measures;

20. *Request* the forum and its Katowice Committee on Impacts to:

(a) Facilitate the enhancement of the capacity of Parties, in particular developing country Parties, to develop and use impact assessment methodologies and tools for conducting their own assessments and analyses of the impacts of response measures, including on decent work and quality jobs, and economic, social, environmental, domestic, cross-border, positive and negative impacts; this includes facilitating the development of case studies as appropriate and the organization of targeted regional hands-on training workshops;

(b) Develop and maintain a web-based user interface for selecting tools and methodologies and promote its use among Parties and stakeholders, as appropriate; a user manual for the interface could also be developed;

21. *Also request* the secretariat to regularly update the existing database of tools and methodologies suitable for assessing the impacts of the implementation of response measures, as needed and as appropriate;

### IV. Activity 4<sup>9</sup> of the workplan

22. *Encourage* Parties to:

(a) Foster international cooperation to identify and share best practices and experience of countries that have successfully diversified their economies;

(b) Identify barriers, domestic and non-domestic alike, as well as ways in which the international community could facilitate the sustainable economic development of all Parties;

23. *Request* prioritization of the developing and sharing of case studies by Parties and experts, in particular on developing country Parties, on both just transition and economic diversification and transformation in order to understand the opportunities and challenges faced in their planning and implementation;

24. *Also request* facilitation of the development of robust assessment tools and methodologies that can capture a range of multidimensional impacts of the implementation of response measures;

---

<sup>8</sup> Facilitate the development, enhancement, customization and use of tools and methodologies for modelling and assessing the impacts of the implementation of response measures, including identifying and reviewing existing tools and approaches in data-poor environments, in consultation with technical experts, practitioners and other relevant stakeholders.

<sup>9</sup> Enhance the capacity and understanding of Parties, through collaboration and input from stakeholders, on the assessment and analysis of the impacts of the implementation of response measures to facilitate the undertaking of economic diversification and transformation and just transition.

25. *Encourage* relevant agencies, financial institutions and UNFCCC constituted bodies to enhance support for addressing issues related to the assessment and analysis of the impacts of the implementation of mitigation actions, policies and programmes, including nationally determined contributions and long-term low-emission development strategies, with a view to addressing the adverse impacts and maximizing opportunities;

26. *Also encourage* relevant agencies to enhance and develop their existing training frameworks and modules on assessment and analysis so that they can be used for country-level training programmes and for developing impact assessment tools and methods;

## V. Activity 5<sup>10</sup> of the workplan

27. *Encourage* Parties to:

(a) Promote partnerships in research and development, including identifying risks and opportunities, and peer-to-peer learning involving relevant national and international stakeholders from public and private sectors, as well as civil society, local communities and indigenous peoples, youth, workers and research and academia in new industries and businesses;

(b) Promote inter- and intracountry exchange of experience, best practices, research outcomes and learning on new industries and businesses, including by identifying relevant skills, making best use of existing knowledge and capabilities, and developing new skills through targeted training, retooling, retraining and reskilling;

(c) Explore new technologies, carbon capture, utilization and storage, hydrogen and artificial intelligence tools to maximize the positive and minimize the negative impacts of the implementation of response measures;

(d) Develop regulatory frameworks, as appropriate, for carbon capture, transport, utilization and storage, and hydrogen production, infrastructure and transport at the national, regional or global level to explore the possibility of standardizing the design and application, as appropriate, while ensuring high safety standards;

(e) Remove barriers and strengthen policy support for carbon capture, utilization and storage to drive innovation and deployment to the scale-up, ensuring specific policy incentives critical to expanding the market frontier worldwide;

(f) Collaborate on methodologies for calculating life cycle greenhouse gas emissions from hydrogen production, as needed, and developing comprehensive and science-based terminology and relevant standards for hydrogen deployment to promote widespread adoption of the hydrogen economy, while also removing barriers;

28. *Also encourage* Parties, observer organizations and other relevant stakeholders to engage the private sector, including small and medium-sized enterprises, to facilitate the identification and exchange of experience and best practices to promote the creation of decent work and quality jobs in new industries and businesses;

29. *Further encourage* Parties and stakeholders to foster collaboration, undertake joint pilot activities and programmes, and share knowledge, lessons learned and best practices, including from governments, business communities, research and academia, artificial intelligence experts and civil society groups;

30. *Encourage* relevant stakeholders to undertake economic and financial analyses, including assessment of the diversification of investments and business models, for investment in the hydrogen economy, and to undertake scientific assessments to understand the national resource endowment potential for sustainable hydrogen production;

---

<sup>10</sup> Build awareness and understanding of Parties and other stakeholders to assess the economic impacts of potential new industries and businesses resulting from the implementation of response measures with a view to maximizing the positive and minimizing the negative impacts of the implementation of response measures.

## VI. Activity 11<sup>11</sup> of the workplan

31. *Encourage* Parties to undertake more in-depth analysis on the impacts of response measures, quantifying the co-benefits for the response measures, categorizing where the co-benefits come from and who the beneficiaries of the co-benefits are, with a view to informing integrated climate actions;

32. *Request* the Katowice Committee on Impacts to enhance the capacity of Parties, in particular developing country Parties, to develop and use country-specific tools and methodologies for assessing the environmental, social and economic co-benefits of climate change policies and actions.

*10<sup>th</sup> plenary meeting  
20 November 2022*

---

<sup>11</sup> Facilitate, exchange and share experiences and best practices in the assessment of the environmental, social and economic co-benefits of climate change policies and actions informed by the best available science, including the use of existing tools and methodologies.

## Decision 21/CP.27

### Second periodic review of the long-term global goal under the Convention and of overall progress towards achieving it

*The Conference of the Parties,*

*Recalling* Articles 2–3 of the Convention,

*Also recalling* that, pursuant to decision 1/CP.16, paragraph 138, the second periodic review of the long-term global goal under the Convention and of overall progress towards achieving it should be conducted in the light of the ultimate objective of the Convention and in accordance with the relevant principles and provisions of the Convention,

*Further recalling* decisions 1/CP.16, paragraphs 138–139, 1/CP.17, paragraph 6, 2/CP.17, paragraphs 157–167, 1/CP.18, paragraphs 79–91, 10/CP.21, 18/CP.23, 5/CP.25 and 1/CP.26,

1. *Welcomes* the work under the structured expert dialogue on the second periodic review of the long-term global goal under the Convention and of overall progress towards achieving it (hereinafter referred to as the structured expert dialogue), which contributed to completing the phases of the second periodic review reflected in decision 2/CP.17, paragraph 164, and *takes note* of the synthesis report thereon,<sup>1</sup> including the 10 key messages highlighted therein, and the summary reports on the meetings of the dialogue;<sup>2</sup>
2. *Expresses its appreciation and gratitude* to those involved in the structured expert dialogue, in particular its co-facilitators;
3. *Also expresses its appreciation and gratitude* for all the inputs provided to the second periodic review, including those made to the structured expert dialogue by the Intergovernmental Panel on Climate Change, the secretariat, UNFCCC constituted bodies, and other United Nations bodies and organizations and the report of the 2020 round table on pre-2020 implementation and ambition;
4. *Notes* that work under the structured expert dialogue has been completed, as described in decision 1/CP.18, paragraphs 86–89, and that the dialogue covered the two themes of the second periodic review, as set out in decision 5/CP.25, paragraph 4(a–b);
5. *Reaffirms* the long-term global goal of holding the increase in global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels (hereinafter referred to as the long-term global goal), recognizing that this would significantly reduce the risks and impacts of climate change, as referred to in decision 10/CP.21, paragraph 4, and *notes* that it is assessed over a period of decades;
6. *Expresses alarm and utmost concern* that human activities have caused a global average temperature increase of around 1.1 °C above pre-industrial levels to date and that impacts are already being felt in every region and will escalate with every increment of global warming;
7. *Recalls* that the impacts of climate change will be much lower at the temperature increase of 1.5 °C compared with 2 °C<sup>3</sup> and *acknowledges* that limiting the global average temperature increase to 1.5 °C above pre-industrial levels with no or limited overshoot would avoid increasingly severe climate change impacts, stressing that the severity of impacts will be reduced with every increment of global warming avoided;
8. *Reaffirms* that limiting global warming to 1.5 °C requires rapid, deep and sustained reductions in global greenhouse gas emissions, including reducing global carbon dioxide

<sup>1</sup> FCCC/SB/2022/3.

<sup>2</sup> Available at <https://unfccc.int/topics/science/workstreams/periodic-review/SED>.

<sup>3</sup> Decision 1/CP.26, para. 16.



emissions by 45 per cent by 2030 relative to the 2010 level and to net zero around mid-century as well as deep reductions in other greenhouse gas emissions;<sup>4</sup>

9. *Notes* that information and knowledge have improved significantly since the first periodic review (2013–2015), while there continue to be important information and knowledge gaps in relation to the areas covered within the scope of the second periodic review set out in decision 5/CP.25, paragraph 4, and *encourages* the scientific community to address these gaps;

10. *Notes* that the Synthesis Report of the Sixth Assessment Report of the Intergovernmental Panel on Climate Change is expected to be completed by March 2023 and *invites* the Intergovernmental Panel on Climate Change to present the findings therein at the fifty-eighth session of the Subsidiary Body for Scientific and Technological Advice (June 2023);

11. *Notes* that it is still possible to achieve the long-term global goal with immediate, rapid, deep and sustained reductions in overall aggregated global greenhouse gas emissions, while recognizing that there are challenges relating to mitigation, adaptation, and means of implementation and support;

12. *Also notes* that current policies and measures are insufficient for achieving the long-term global goal and the window of opportunity for achieving the goal is closing;

13. *Further notes* that valuable information was provided during the structured expert dialogue on how Parties can effect transformational change across key systems and sectors;

14. *Underscores* the need to pursue anticipatory, incremental and transformative adaptation and address the factors underlying increasing vulnerability and risks, including lack of capacity to respond to climate change, and that most adaptation to date has been incremental, with little evidence of transformative adaptation, and tracking progress of adaptation planning remains difficult;

15. *Notes* that, despite overall progress on mitigation, adaptation and means of implementation and support, Parties are not collectively on track to achieve the long-term global goal and that the pre-2020 pledges of some Parties and their subsequent implementation have been insufficient;

16. *Also notes* that there are still significant gaps between collectively pledged emission reductions and the reductions required to achieve the long-term global goal, as well as gaps in support for adaptation and means of implementation for developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change, as provided for in the Convention;

17. *Acknowledges* that, in order to shift to and remain on a pathway to achieving the long-term global goal, Parties must enhance their efforts under the Convention and the Paris Agreement to significantly reduce their aggregated emissions prior to 2030, while recognizing the financial, technological, economic, capacity-building and institutional challenges and needs and special circumstances of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change, as provided for in the Convention;

18. *Notes* that, although some progress has already been made by the UNFCCC, its constituted bodies and other entities in scaling up financial, technological and capacity-building support, these enablers for climate action are not yet aligned with the urgency of a rapid, just and equitable low-emission and climate-resilient transition and significant gaps still exist in terms of both the scale and the speed of such progress;

19. *Recognizes* that climate finance has increased since the first periodic review but is still inadequate to address the needs and priorities, *reiterates* that developed country Parties provide enhanced support, including through financial resources, technology transfer and capacity-building, to assist developing country Parties with respect to both mitigation and adaptation, in continuation of their existing obligations under the Convention, and *encourages* other Parties to provide or continue to provide such support voluntarily;

<sup>4</sup> Decision 1/CP.26, para. 17.

20. *Notes* that Parties have different responsibilities, national circumstances and capabilities to contribute to achieving the long-term global goal, while the impacts and risks associated with warming are unevenly distributed, and in this regard *also notes* the need for enhanced efforts towards achieving the long-term global goal, taking into account ambition, equity, just transition and the best available science;

21. *Further notes* that the outputs of the structured expert dialogue could serve as input to the first global stocktake, pursuant to decision 19/CMA.1, paragraph 37(c), as well as other relevant processes under the Convention and the Paris Agreement;

22. *Decides* to consider the continuation of periodic reviews at its twenty-ninth session (November 2024) pursuant to decision 5/CP.25, paragraph 8;

23. *Notes* that the second periodic review fulfilled its mandate as contained in decisions 1/CP.16, 1/CP.17, 2/CP.17, 1/CP.18 and 5/CP.25.

*10<sup>th</sup> plenary meeting  
20 November 2022*

## Decision 22/CP.27

### Implementation of the Global Climate Observing System

*The Conference of the Parties,*

*Recalling* Article 4, paragraph 1(g–h), and Article 5 of the Convention,

*Also recalling* decisions 8/CP.3, 14/CP.4, 5/CP.5, 11/CP.9, 5/CP.10, 9/CP.15 and 19/CP.22,

*Further recalling* Article 7 of the Paris Agreement,

*Noting* the important role of the Global Climate Observing System in meeting the need for climate observation and climate services under the Convention,

*Also noting* that reporting and greenhouse gas inventory guidelines are as adopted under the Convention and the Paris Agreement,

*Recognizing* the importance of and continued need for capacity-building to support systematic observation,

1. *Recognizes* the vital importance of robust Earth observation systems and related long-term data records for enhanced understanding of the global climate system and its changes, and for adaptation and mitigation action;
2. *Welcomes* the 2022 Global Climate Observing System Implementation Plan<sup>1</sup> and the 2022 Global Climate Observing System essential climate variables requirements<sup>2</sup> and *encourages* Parties and relevant organizations, as appropriate, to work towards the implementation of the 2022 Global Climate Observing System Implementation Plan;
3. *Emphasizes* the need to address systematic observation gaps, particularly in developing countries and for ocean, mountain, desert and polar regions and the cryosphere in order to improve understanding of climate change, climate-related risks and tipping points, and adaptation limits and to ensure enhanced delivery of climate services and early warning systems;
4. *Notes with concern* the existing gaps in the global climate observing system and *recognizes* the need to enhance the coordination of activities by the systematic observation community and improve its ability to provide useful and actionable climate information for mitigation, adaptation and early warning systems, as well as information to enable understanding of adaptation limits and of attribution of extreme events.

*9<sup>th</sup> plenary meeting  
17 November 2022*

<sup>1</sup> See World Meteorological Organization. 2022. *The 2022 GCOS Implementation Plan*. Geneva: World Meteorological Organization. Available at [https://library.wmo.int/doc\\_num.php?explnum\\_id=11317](https://library.wmo.int/doc_num.php?explnum_id=11317).

<sup>2</sup> See World Meteorological Organization. 2022. *The 2022 GCOS ECVs Requirements*. Geneva: World Meteorological Organization. Available at [https://library.wmo.int/doc\\_num.php?explnum\\_id=11318](https://library.wmo.int/doc_num.php?explnum_id=11318).

## Decision 23/CP.27

### Action plan under the Glasgow work programme on Action for Climate Empowerment

*The Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,*

*Recalling* Articles 4 and 6 of the Convention and Article 12 of the Paris Agreement,

*Acknowledging* that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity,

*Recalling* decisions 18/CP.26, 17/CMA.1 and 22/CMA.3,

*Also recalling* decisions 1/CP.26 and 1/CMA.3, in which Parties were urged to swiftly begin implementing the Glasgow work programme on Action for Climate Empowerment, respecting, promoting and considering their respective obligations on human rights, as well as gender equality and empowerment of women,

1. *Adopt* the four-year action plan under the Glasgow work programme on Action for Climate Empowerment, contained in the annex, which focuses on immediate action through short-term, clear and time-bound activities, guided by the priority areas of the Glasgow work programme (policy coherence; coordinated action; tools and support; and monitoring, evaluation and reporting), taking into account the six elements of Action for Climate Empowerment<sup>1</sup> in a balanced manner;
2. *Recognize* that the six elements of Action for Climate Empowerment and the priority areas of the Glasgow work programme are interconnected in nature and are equally relevant and fundamental to the achievement of and progress in climate action;
3. *Emphasize* that the action plan should be implemented in an inclusive, intergenerational and gender-responsive manner;
4. *Recall* that, under the Glasgow work programme:<sup>2</sup>
  - (a) Parties and relevant non-Party stakeholders were invited to engage in and support implementation of the Glasgow work programme while maintaining a country-driven approach;
  - (b) Multilateral and bilateral institutions and organizations, including the operating entities of the Financial Mechanism, as appropriate, were invited to provide financial support for Action for Climate Empowerment activities;
  - (c) Intergovernmental and non-governmental organizations in a position to do so were encouraged to provide technical or financial support for Action for Climate Empowerment activities;
  - (d) The secretariat was requested to promote partnerships with other organizations, the private sector and donors in order to support implementation of the Glasgow work programme;
5. *Affirm* that the mandates referred to in paragraph 4 above also apply in the context of the action plan;

<sup>1</sup> Education, training, public awareness, public participation, public access to information and international cooperation on climate change.

<sup>2</sup> Decisions 18/CP.26, paras. 5, 6, 9 and 10; and 22/CMA.3, paras. 5, 6, 9 and 10.

6. *Take note* of the annual summary report by the secretariat on progress in implementing activities under the Glasgow work programme;<sup>3</sup>
7. *Request* the secretariat to include in each annual summary report under the Glasgow work programme information on materials, resources and findings as set out in the action plan, such as information on progress in implementing activities A.1, A.2, B.1, C.2, C.3 and D.1;
8. *Invite* Parties and non-Party stakeholders to submit to the secretariat annually for the duration of the action plan, via the submission portal,<sup>4</sup> suggestions for structuring the annual Dialogues on Action for Climate Empowerment, such as proposed speakers and lists of guiding questions, so as to enhance the Dialogues with a view to meeting the needs of Parties and the broader Action for Climate Empowerment community;
9. *Take note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in the annex;
10. *Request* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.

---

<sup>3</sup> FCCC/SBI/2022/17.

<sup>4</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

## Annex

### **Action plan under the Glasgow work programme on Action for Climate Empowerment**

1. This action plan under the Glasgow work programme on Action for Climate Empowerment (ACE) sets out short-term, clear and time-bound activities in the four priority areas of the Glasgow work programme<sup>1</sup> (see tables 1–4)<sup>2</sup> aimed at addressing gaps and challenges related to implementing the six ACE elements<sup>3</sup> and creating opportunities to accelerate their implementation.
2. Parties, the secretariat, UNFCCC constituted bodies and relevant organizations are invited to undertake the activities set out in the ACE action plan, as appropriate.
3. The ACE action plan will be undertaken in such a manner as to advance implementation of all six ACE elements in a balanced manner.

### **Priority areas**

4. The objectives of the priority areas<sup>4</sup> are set out in paragraphs 5–8 below.

#### **A. Policy coherence**

5. To strengthen coordination of work under ACE, recognizing that activities related to ACE are also carried out under workstreams that are part of the UNFCCC process, as well as under frameworks and processes of the United Nations system and in multiple sectors and strategies at the national level.

#### **B. Coordinated action**

6. To continue to build long-term, strategic, operational, multilevel, multi-stakeholder, intergenerational partnerships that bring together different expertise, resources and knowledge to accelerate ACE implementation.

#### **C. Tools and support**

7. To enhance access to tools and support for building capacity and raising awareness among Parties, national ACE focal points and non-Party stakeholders with regard to ACE.

#### **D. Monitoring, evaluation and reporting**

8. To strengthen monitoring, evaluation and reporting of the implementation of all six ACE elements at all levels, according to Parties' specific priorities, needs and national circumstances.

---

<sup>1</sup> See decision 18/CP.26, annex, chap. III; and 22/CMA.3, annex, chap. III.

<sup>2</sup> Abbreviations used in the tables: COP = Conference of the Parties, SB = sessions of the subsidiary bodies.

<sup>3</sup> See decision 18/CP.26, annex, chap. IV; and 22/CMA, annex, chap. IV.

<sup>4</sup> As per decisions 18/CP.26, annex, paras. 6, 9, 11 and 15; and 22/CMA.3, annex, paras. 6, 9, 11 and 15.

Table 1  
Priority area A: policy coherence

<i>Activity</i>	<i>Responsible entity or entities</i>	<i>Timeline</i>	<i>Deliverables/outputs</i>	<i>Level of implementation</i>
A.1 Strengthening coordination of ACE work under the UNFCCC	Secretariat	Ongoing to COP 31 (2026)	Identifying good practices for integrating the six ACE elements into the work of the UNFCCC constituted bodies and reporting thereon in the annual summary report under the Glasgow work programme	International
	Leading: secretariat Contributing: UNFCCC constituted bodies, including the Facilitative Working Group of the Local Communities and Indigenous Peoples Platform, Parties, relevant organizations	SB 62 (June 2025)	Organizing a joint session with representatives of the UNFCCC constituted bodies and all work programmes under the UNFCCC at the ACE Dialogue to discuss ways of enhancing understanding of the role of children and youth and indigenous peoples in accelerating ACE implementation and promoting intergenerational knowledge-sharing in the context of their work	International
A.2 Strengthening integration of ACE into the development and implementation of national climate policies, plans, strategies and action	Secretariat	Ongoing to COP 31 (2026)	Identifying good practices for integrating the ACE elements into national climate change policies, plans, strategies and action, including the considerations reflected in the eleventh preambular paragraph of the Paris Agreement – which, acknowledging that climate change is a common concern of humankind, states that Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity – in the context of ACE, and reporting thereon in the annual summary report under the Glasgow work programme	International
	Secretariat	SB 62 (June 2025)	Holding an interactive workshop at the ACE Dialogue in 2025 and also at the regional level prior to COP 31 (2026) on developing and implementing national climate change policies, plans, strategies and action using a clear, inclusive, intergenerational and gender-responsive approach	International, regional
	Relevant organizations	Ongoing to COP 31 (2026)	Facilitating voluntary peer-to-peer exchanges that serve to provide technical and substantive guidance to national ACE focal points for engaging in relevant national processes and policies, such as national ACE strategies, according to national circumstances	International, regional

Table 2  
**Priority area B: coordinated action**

<i>Activity</i>	<i>Responsible entity or entities</i>	<i>Timeline</i>	<i>Deliverables/outputs</i>	<i>Level of implementation</i>
B.1 Enhancing regional cooperation through virtual and in-person regional dialogues, workshops and consultations, prior to the ACE Dialogues, taking advantage of existing forums, such as the regional collaboration centres and regional climate weeks, as appropriate, to enhance implementation of the Glasgow work programme at the regional level as well as local ACE hubs building on local initiatives	Leading: relevant organizations, Parties Contributing: secretariat	Ongoing to COP 31 (2026)	Sharing experience and good practices from virtual and in-person regional dialogues, workshops and consultations prior to the ACE Dialogues, as appropriate  Presenting the outcomes of regional activities at the ACE Dialogues and reporting thereon in the annual summary report under the Glasgow work programme and ACE newsletters	Regional
B.2 Promoting the development of regional and local networks and platforms that support ACE activities at the regional, national and local level, encouraging the involvement of youth, women, academics, children, traditional leaders and indigenous peoples in developing and implementing ACE activities and providing capacity-building in this regard	Leading: secretariat Contributing: Parties, national ACE focal points, relevant organizations	Ongoing to COP 31 (2026)	Increased peer-to-peer exchange among national ACE focal points about ACE activities carried out at the national level through, inter alia, the ACE Dialogues, the regional climate weeks and informal virtual networking meetings organized by the secretariat	International, regional

Table 3  
**Priority area C: tools and support**

<i>Activity</i>	<i>Responsible entity or entities</i>	<i>Timeline</i>	<i>Deliverables/outputs</i>	<i>Level of implementation</i>
C.1 Building and strengthening the capacity and skills of national ACE focal points	Leading: secretariat Contributing: Parties, national ACE focal points, relevant organizations	Ongoing to COP 31 (2026)	Providing capacity-building opportunities for national ACE focal points, including at the ACE Dialogues and the regional climate weeks	International, regional
C.2 Meaningfully including youth in and engaging with them on climate action at all levels and facilitating the inclusive participation of, inter alia, children,	Relevant organizations, Parties	Ongoing to COP 31 (2026)	Providing capacity-building opportunities for youth with a focus on decision-making and implementing climate action at the national and international level according to national circumstances	International, national



<i>Activity</i>	<i>Responsible entity or entities</i>	<i>Timeline</i>	<i>Deliverables/outputs</i>	<i>Level of implementation</i>
women, indigenous peoples and persons with disabilities, in climate action, according to national circumstances	Leading: secretariat, relevant organizations Contributing: youth and youth organizations	Ongoing to COP 31 (2026)	Providing opportunities for youth to present at ACE Dialogues and regional climate weeks to highlight the leadership role that youth play in climate action  Allowing youth to participate in networking sessions and capacity-building workshops for national ACE focal points	International, regional
	Leading: secretariat Contributing: relevant organizations	SB 60 (June 2024)	Mapping and collating existing guidelines and good practices in the annual summary report under the Glasgow work programme with respect to child education on and empowerment in climate action, with special consideration given to gender equality and inclusion of persons with disabilities	International
C.3 Enhancing multilevel action by national ACE focal points and non-Party stakeholders, including representatives of civil society organizations, youth-led and youth-inclusive organizations, community-based organizations, local communities and indigenous peoples	Leading: secretariat Providing input: Parties, relevant organizations, multilateral and bilateral financial institutions	Ongoing to COP 31 (2026)	Reporting in the annual summary report under the Glasgow work programme on the provision of support, including financial support, for the participation of national ACE focal points and non-Party stakeholders, including representatives of civil society organizations and community-based organizations, in international meetings such as the ACE Dialogues and the sessions of the subsidiary bodies and the Conference of the Parties	International
	Leading: secretariat, relevant organizations, multilateral and bilateral financial institutions  Contributing: national ACE focal points, UNFCCC constituted bodies	SB 60 (June 2024)	Organizing an expert-run session on how to write strong project proposals at the ACE Dialogues to support the implementation of ACE activities	International

Table 4  
**Priority area D: monitoring, evaluation and reporting**

<i>Activity</i>	<i>Responsible entity or entities</i>	<i>Timeline</i>	<i>Deliverables/outputs</i>	<i>Level of implementation</i>
D.1 Strengthening monitoring, evaluation and reporting of the implementation of all six ACE elements	Leading: secretariat Contributing: relevant organizations, research community	Ongoing to COP 31 (2026)	Compiling monitoring, evaluation and reporting best practices and resources and making such information available to Parties for use for their reporting on ACE activities on a voluntary basis, and reporting thereon in the annual summary report under the Glasgow work programme	International

<i>Activity</i>	<i>Responsible entity or entities</i>	<i>Timeline</i>	<i>Deliverables/outputs</i>	<i>Level of implementation</i>
D.2 Enhancing understanding of what constitutes high-quality and effective evaluation of ACE activities, according to national circumstances	Secretariat, Parties, national ACE focal points, relevant organizations, research community	Ongoing to COP 31 (2026)	Organizing interactive workshops at all levels, including at the ACE Dialogue in 2023, with experts, national ACE focal points, youth leaders and other stakeholders to discuss ways of assessing the effectiveness of ACE implementation	International, regional, national
D.3 Supporting the consideration by the Subsidiary Body for Implementation of the annual summary report to be prepared by the secretariat on progress in implementing activities under the Glasgow work programme	Secretariat	Ongoing to COP 31 (2026)	Holding information sessions prior to the sessions of the Conference of the Parties to present progress in implementing activities under the Glasgow work programme as reported in the annual summary report	International

*9<sup>th</sup> plenary meeting  
17 November 2022*