



Climate Finance: Tracking Climate Change-Related Support Needed and Received

Caribbean countries workshop

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Project: "Increasing the ambition of the Nationally Determined Contributions and climate financing in the Central América – NDC5.

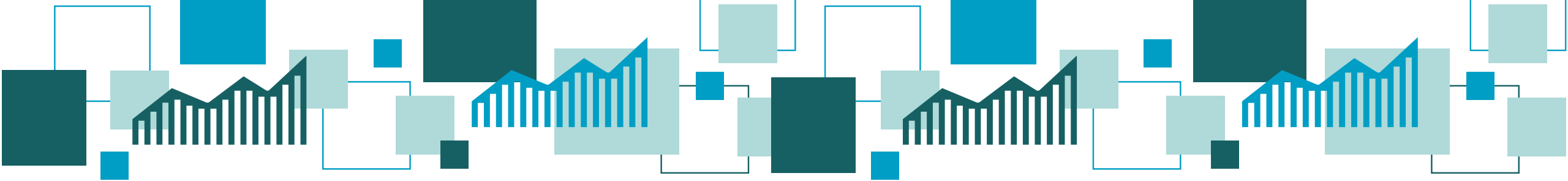
July 20 2023.



Agenda

- Enhanced transparency framework: Main characteristics
- Colombian experience on tracking support needed and received.
- Key practical considerations





Enhanced transparency framework: Main characteristics

ETF: Paris Agreement

Paris Agreement Article 13

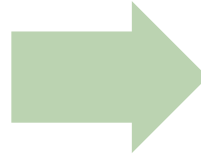
- 1. In order to build mutual trust and confidence and to promote effective implementation, an enhanced transparency framework for action and support, with built-in flexibility which takes into account Parties' different capacities and builds upon collective experience is hereby established.
- 2. The transparency framework shall provide flexibility in the implementation of the provisions of this Article to those developing country Parties that need it in the light of their capacities. The modalities, procedures and guidelines referred to in paragraph 13 of this Article shall reflect such flexibility.
- 10. Developing country Parties should provide information on financial, technology transfer and capacity-building support needed and received under Articles 9, 10 and 11.



ETF: How does it work?

What is it?

- Set of tools.



Aim

- To achieve Convention objectives



Information on NDC progress



BTR, NID



Technical expert review - TER



Review report - Technical expert review - TER



Facilitative multilateral consideration of progress



Global stocktake

Provision of information reliable, transparent and complete regarding emissions, climate actions and support

The ETF aims to understand the ambition and progress of climate actions and it is an input for the UNFCCC – COP deliberations.

Modalities, procedures and guidelines

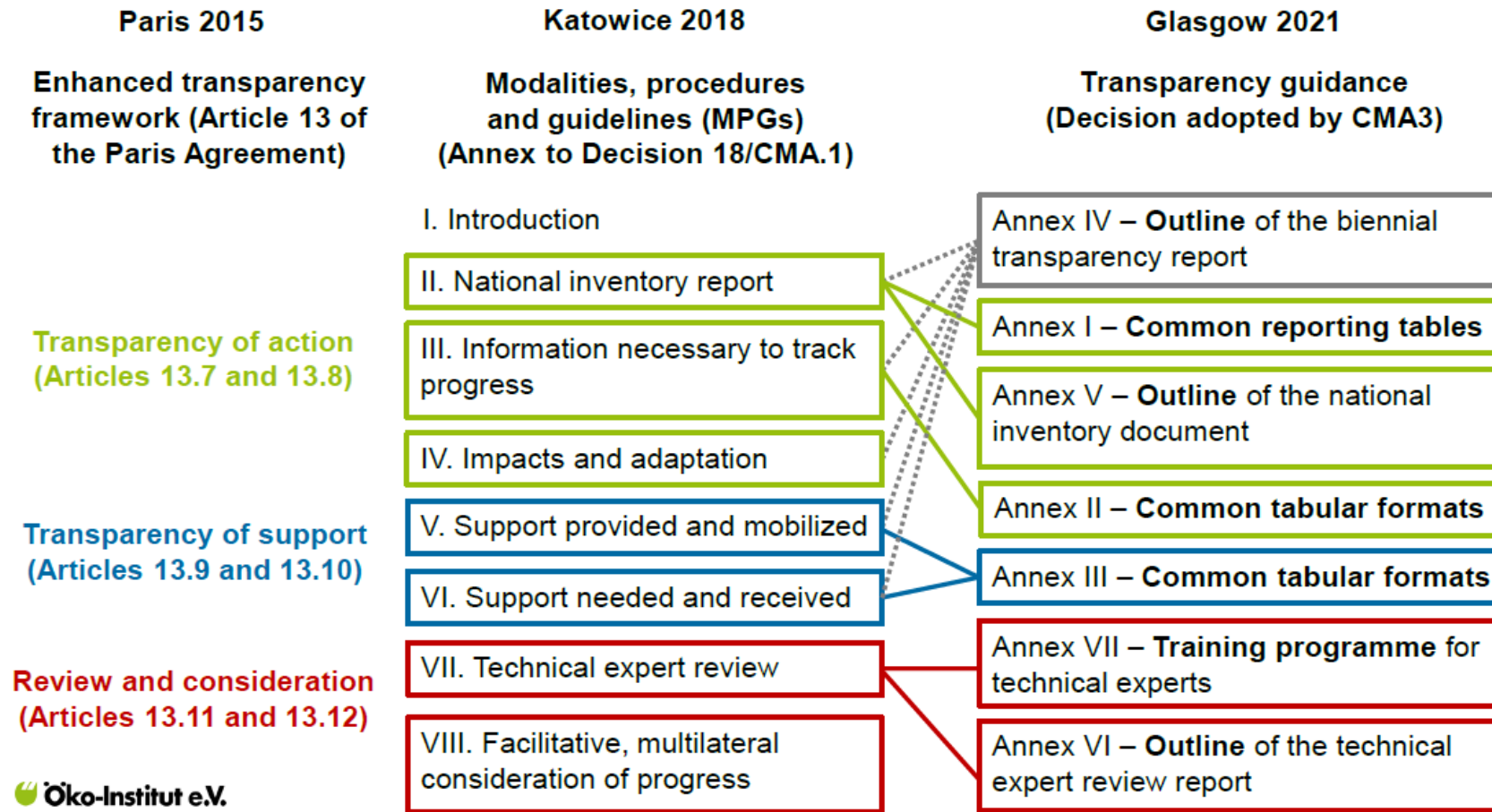


Figure 3: Elements of Article 13 of the Paris Agreement, chapters of the MPGs, and elements of the transparency guidance.



Information to be included in the Biennial Transparency Report (BTR) - 1

- Annex III, Common tabular formats for the electronic reporting of the information on financial, technology development and transfer and capacity-building support provided and mobilized, as well as support needed and received, under Articles 9–11 of the Paris Agreement

Table III.6

Information on financial support needed by developing country Parties under Article 9 of the Paris Agreement^{a, b}

Exchange rate used: _____

Sector ^c	Subsector ^c	Title of activity, programme, project or other ^{c,d}	Programme/project description ^c	Estimated amount (climate-specific) ^c		Expected time frame ^c	Expected financial instrument ^c	Type of support ^c	Contribution to technology development and transfer objectives ^c	Contribution to capacity-building objectives ^c	Whether the activity is anchored in a national strategy and/or an NDC ^c	Expected use, impact and estimated results ^c	Additional information ^f
				Domestic currency	USD								
Energy							Grant	Adaptation	Insert 1 for Yes, 0 for No	Insert 1 for Yes, 0 for No	Insert 1 for Yes, 0 for No		
Transport							Concessional loan	Mitigation	Insert 1 for Yes, 0 for No	Insert 1 for Yes, 0 for No	Insert 1 for Yes, 0 for No		
Industry								Cross-cutting ^e					
Agriculture							Non-concessional loan						
Forestry													
Water and sanitation							Equity						
Cross-cutting							Guarantee						
Other (specify) ^d							Insurance						
							Other (specify) ^d						

Information to be included in the Biennial Transparency Report (BTR) - 2

- Annex III, Common tabular formats for the electronic reporting of the information on financial, technology development and transfer and capacity-building support provided and mobilized, as well as support needed and received, under Articles 9–11 of the Paris Agreement

Table III.7

Information on financial support received by developing country Parties under Article 9 of the Paris Agreement^{a, b}

Exchange rate used: _____

Title of activity, programme, project or other ^{c, d}	Programme/project description ^c	Channel ^c	Recipient entity ^c	Implementing entity ^c	Amount received (climate-specific) ^c		Time frame ^c	Financial instrument ^c	Status ^c	Type of support ^c	Sector ^c	Subsector ^c	Contribution to technology development and transfer objectives ^c	Contribution to capacity-building objectives ^c	Status of activity ^c	Use, impact and results ^c	Additional information ^f
					Domestic currency	USD											
		Multilateral						Grant	Committed	Adaptation	Energy		Insert 1 for Yes, 0 for No	Insert 1 for Yes, 0 for No	Planned		
		Bilateral						Concessional loan	Received	Mitigation	Transport				Ongoing		
		Regional						Non-concessional loan		Cross-cutting ^e	Industry				Completed		
		Other (specify) ^d						Equity			Agriculture						
								Guarantee			Forestry						
								Insurance			Water and sanitation						
								Other (specify) ^d			Cross-cutting						
											Other (specify) ^d						

Information to be included in the Biennial Transparency Report (BTR) - 3

- Annex III, Common tabular formats for the electronic reporting of the information on financial, technology development and transfer and capacity-building support provided and mobilized, as well as support needed and received, under Articles 9–11 of the Paris Agreement

Table III.8

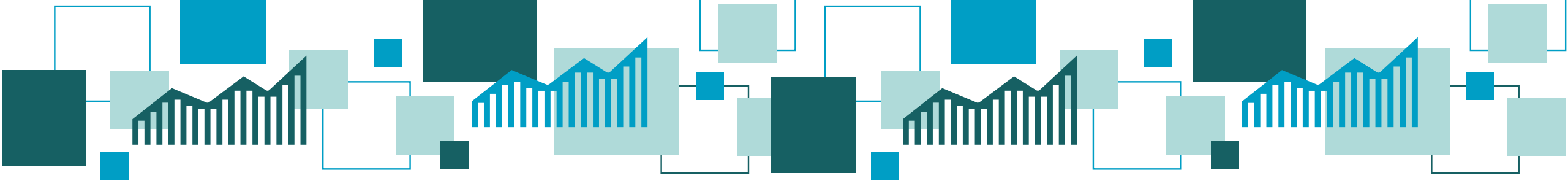
Information on technology development and transfer support needed by developing country Parties under Article 10 of the Paris Agreement^{a, b}

<i>Sector^f</i>	<i>Subsector^f</i>	<i>Title of activity, programme, project or other^{c, d}</i>	<i>Programme/project description^e</i>	<i>Type of support^f</i>	<i>Type of technology^f</i>	<i>Expected time frame^e</i>	<i>Expected use, impact and estimated results^e</i>	<i>Additional information^f</i>
Energy				Mitigation				
Transport				Adaptation				
Industry				Cross-cutting ^e				
Agriculture								
Forestry								
Water and sanitation								
Cross-cutting								
Other (specify) ^d								

Table III.9

Information on technology development and transfer support received by developing country Parties under Article 10 of the Paris Agreement^{a, b}

<i>Title of activity, programme, project or other^{c, d}</i>	<i>Programme/project description^e</i>	<i>Type of technology^c</i>	<i>Time frame^e</i>	<i>Recipient entity^e</i>	<i>Implementing entity^e</i>	<i>Type of support^e</i>	<i>Sector^e</i>	<i>Subsector^e</i>	<i>Status of activity^e</i>	<i>Use, impact and estimated results^e</i>	<i>Additional information^f</i>
						Mitigation	Energy		Planned		
						Adaptation	Transport		Ongoing		
						Cross-cutting ^e	Industry		Completed		
							Agriculture				
							Forestry				
							Water and sanitation				
							Cross-cutting				
							Other (specify) ^d				



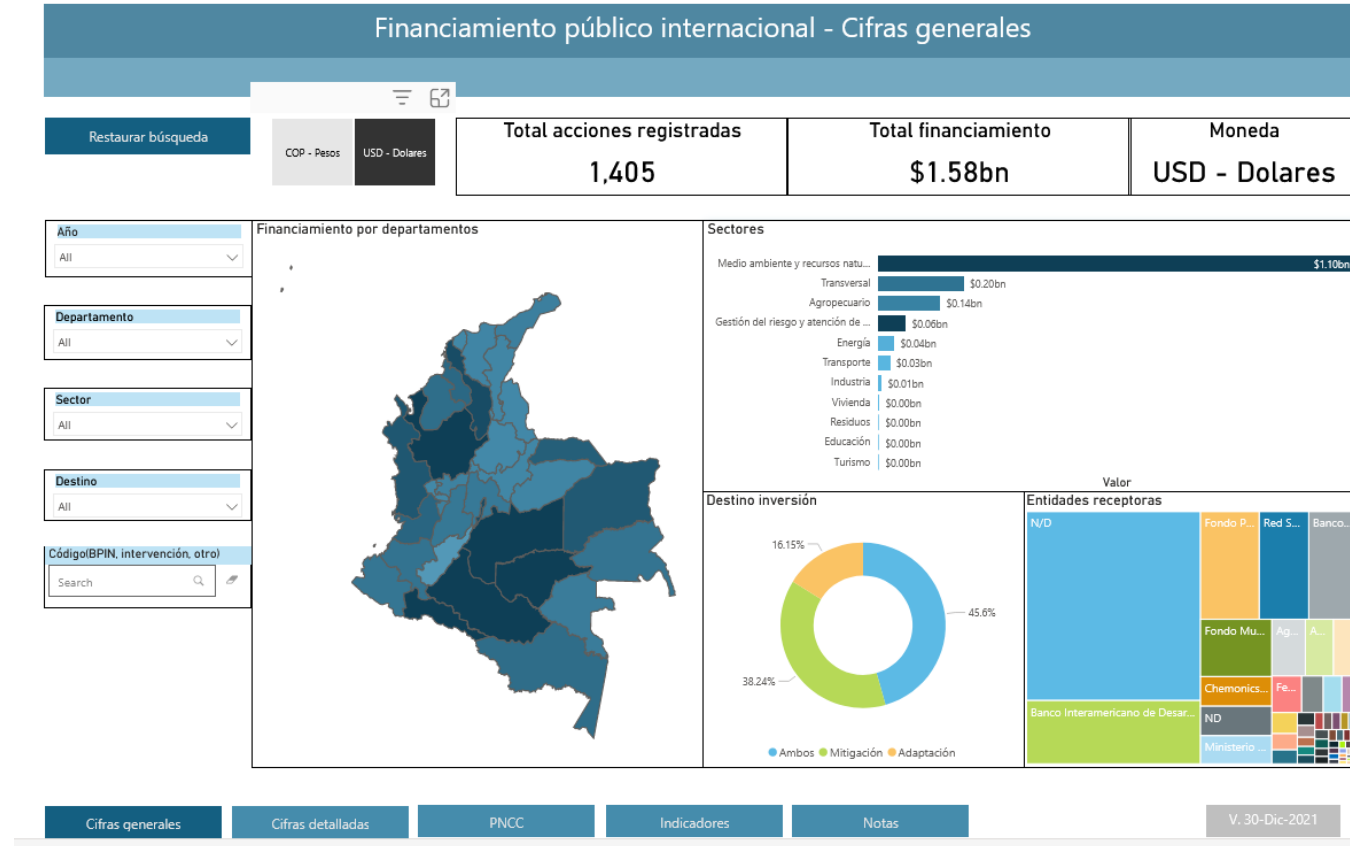
Colombian experience

Tracking international climate finance – Context

- Colombia has a climate finance strategy that aims to secure that finance is available to comply with the NDC.
- **As part of the strategy Colombia has developed a platform for tracking climate finance.** It tracks domestic public finance, private, international public finance and financial sector. The platform also tracks disaster risk management finance.
https://mrv.dnp.gov.co/Financiamiento_en_cifras/Paginas/default.aspx
- It is operational since 2017 thanks to support from international cooperation. It is currently run by staff of the National Planning Department.
- It tracks projects based on key words that use the OECD Rio Markers.



Tracking of international public finance 2011-2021



Only non-reimbursable funds are accounted for – Foreign debt operations are treated as public domestic finance.

The database managed by the Colombian International Cooperation Agency is used to identify projects and operations from donors.

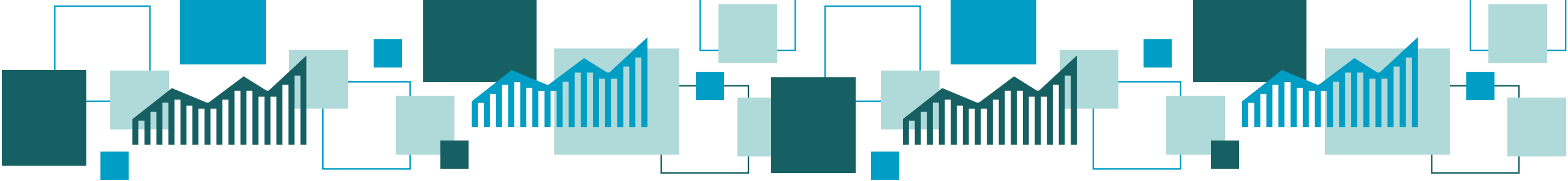


Tracking of climate finance needs

For mitigation finance needs a survey was submitted to sectors to identify needs and measures. No costing of mitigation was done for BUR3, however, NDC investment estimations have been done for most of the measures.

For adaptation financing needs: Initially 10 out of 30 adaptation targets of the NDC were costed. A methodological tool was developed to estimate adaptation costs. The methodology assessed the following elements: Baseline review, review of available data/information to estimate costs per target is done, assumptions made are documented, a participatory process validated the methodology and data. Costing was done (Tabular formats were used for the consistency of the information).





Key practical considerations

Practical considerations

- It is key to link the tracking of received finance and the estimation of finance needs to an overall country finance strategy.
- Key elements to design and run the tracking system include: Governance and legal mandates, capacities and responsibilities, protocols for data flow and quality control, technical systems, stakeholder engagement website or public communication tool, potential interoperability with other components of the country MRV system.
- It is strategic to consider the use of the data: Eg. To engage contributor countries, to feed international processes such as the discussions on debt relief among others.
- Adaptation needs are largely underrepresented and underestimated: NDCs or NAPs usually reflect planning actions. Eg. National Agricultural Plan or Coastal Area Plans but most of the time do not reflect the costs of implementing such plans. Adding to this, several aspects must be solved before determination of costs: What is the metric or target of a success adaptation measure?



Thanks

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