

Outcome of breakout group on MRV of finance

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Negotiations: Areas of agreement



- There are gaps in tracking climate finance – especially private climate finance provided, climate finance received (and also technology and capacity building support)
- Identifying principles and objectives of MRV of climate finance would be useful
- BR and NCs can be used to report public finance flows, and also policy frameworks to encourage private finance flows
- Data quality an issue – so learning by doing is important

Negotiations: Areas of agreement



- Some systems in place for collecting data (although nothing comprehensive) and for reporting data. How best to use them? No need to start from scratch, e.g. DAC.
- Transparency needed on national definitions, e.g. 'new and additional', and how these are used
- Want information both on support provided and received (although metric may be different); avoid double-counting
- Need to identify effectiveness of results

Negotiations: issues of non-convergence



- Is tracking of S-S flows needed under UNFCCC?
- Role of standing committee

Tracking N-S flows: areas of agreement



- Accurate tracking of finance flows is difficult
 - ◆ DAC Rio Markers an established system, but only allow an approximate quantification
 - ◆ General budget support difficult to track accurately (double book-keeping)
 - ◆ Definition of 'adaptation' (and even mitigation) not agreed (inaccurate)

Tracking receipt of climate finance



- Detailed MRV systems being put in place in some countries, but many others lack capacity
- Absorptive capacity important in spending money received efficiently
- Institutional arrangements in countries important; high political leadership and inter-ministerial communication facilitates policy identification and implementation, as well as MRV
- There will not be a one-size-fits-all institutional answer; need for mapping in-country capacities; sharing lessons learned

Tracking receipt of climate finance



- Tracking support received beyond financial flows through national entities is challenging
- Difficult to know what to report if no clarity on what information is needed
- Need to identify what the objectives in reporting support received
- Flexibility in reporting from NAI needed to take variation in national circumstances into account
 - ◆ Trust funds may be a useful interim solution
- Need to start now; focus on meaningful solutions