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## OECD-CPI Consultation on Development and Climate Change

Warsaw, 19 November 2013,  
COP-19 side meeting - Summary Points

### Part 1: Tracking international public climate finance

OECD and CPI will work together with Multilateral Development Banks and other Development Finance Institutions to advance an integrated system of tracking over time.

1. Purposes of tracking – there is need to consider three main different objectives, notably:
  - To provide robust and transparent evidence as an input to monitor to what extent Parties are delivering on their commitments under UNFCCC – noting that 2014 will be a key year for MRV under the UNFCCC with parties completing biennial reports, the Standing Committee on Finance biennial assessment and revision of common tabular reporting formats
  - To offer incentives to donors and development finance institutions to mainstream and to raise attention to climate change in development co-operation portfolios
  - To situate and understand climate finance in the context of broader development finance flows so as to: i) understand to what extent the transition toward a transformative change is occurring, and ii) to provide information to support an effective allocation of finance – including potentially providing detail on who recipients are and types of activities supported
2. Basic principles for better tracking – where there was broad agreement:
  - Clear definitions and methods (e.g. positive/negative lists; but also taking processes of assessment into account)
  - Need for robust and integrated data management system working across multilateral and bilateral providers of development finance
  - Need for enhanced disclosure to ensure transparency
  - Need for balance - building tracking systems that are cost-effective and feasible
3. Approaches to more robust and transparent tracking:
  - Recognition that current tracking of bilateral and multilateral international public climate finance is fragmented and partial despite significant effort by all groups present
  - Agreement that the [OECD reporting system](#), the [MDB reporting initiative](#) and the [DFI surveys](#) could be brought closer together to be more mutually compatible and supportive – and to avoid UNFCCC building further duplicative systems
  - Agreement that the OECD DAC CRS represents a useful starting point for building an integrated data management system, with characteristics particularly relevant to tracking mainstreaming and situating climate-related aid in the broader context of development finance; it also provides a strong evidence base for inputs to monitor commitments under the UNFCCC but it is not currently designed to do this directly and it is up to allow Parties to decide how to use the data



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4. Participation will need to broaden to include all relevant partners:
  - Need to engage more openly with developing countries partners on this agenda and build trust
  - Note that at the OECD it is possible expand participation through the informal work of the Joint ENVIRONET and WP-STAT Task Team to improve Rio markers, environment and development finance statistics and workshops associated with the main committee work
  - Also there is possibility to begin to work at country level with developing country partners to strengthen their ability to track finance
  - There are some possibilities for links with the development co-operation and adaptation policy agendas (discussed under the theme of 2<sup>nd</sup> part of the consultation, see below)
5. Looking forward:
  - OECD and CPI will collaborate to share data, to work with other key partners, and to ensure that data collection efforts are broadly designed to monitor progress against the objectives outlined above and in pursuit of the principles laid out above

## Part 2 Strengthening Development Co-operation for Adaptation

The OECD and CPI will work together with the LEG, and the UNFCCC and other key stakeholder groups, to advance country led adaptation policy and planning and good practice in development cooperation and finance for adaptation. A next opportunity could be to organise the next Task Team meeting of OECD (tentatively March 2014) back to back with a meeting of the LEG or with engagement of key experts.

1. Current state of play:
  - The Least Developed Countries Expert Group (LEG) has recently issued guidelines National Adaptation Plans (NAPs) with the aim to assist countries to place the issues associated with adaptation in the broader context of development planning and policy. Different organisations are also preparing supplementary materials to the guidelines, covering sectoral or cross-cutting themes (i.e. water, health, agriculture).
  - Country-led NAPs can help to establish each countries' adaptation priorities, and serve as means around which to organise both national resources and policies, and international development co-operation
  - The challenge today is to weave together pockets of activity to establish solid platforms for action and partnerships to support decision-making processes that integrate climate change concerns into policies and programs at different levels (i.e. national, sector, sub-national)
  - The [OECD Task Team on Climate Change and Development Co-operation](#) published in 2009 a [guidance document](#) for development cooperation providers and for environment ministries on how to integrate adaptation into development planning. The LEG guidance, which targets national policy makers, builds on and adapts this earlier OECD work and a wide range of other inputs and experiences from in country practice
  - CPI is working on case studies aimed at enhancing understanding on how public resources can be deployed to engage private actors in contributing toward countries' adaptation efforts. The first case study of the series, prepared for the [San Giorgio Group](#),



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explores approaches taken on the ground under the Pilot Program for Climate Resilience in the Nepalese agricultural sector. The case study will be published in December 2013.

- Some donors are already very engaged in this adaptation agenda and offer tools to help support development planning; but there is still limited awareness in national governments and across private sector actors of the risk and opportunities of climate change and how to respond to it

## 2. Looking forward:

- The LEG is at the forefront of bringing attention of the link between climate change adaptation and poverty reduction goals, and has identified where Least Developed and other vulnerable countries require further support to advance adaptation and development goals
- For adaptation, the key is to build in best available knowledge and information on climate change, ensuring that policy action is flexible and iterative to integrate new knowledge
- NAPs could play a key role to guide action and next steps in the development co-operation community on adaptation, but also in context of national sustainable development planning.
- Effort is needed to increase public and private actors' awareness of the risks of inaction as well as of the benefits and opportunities of action
- Policy communities seeking where to best target limited public resources are still at the very early stages of understanding how climate change adaptation fits into sustainable development priorities and policy agendas
- There is opportunity to integrate climate change more fully into development assistance portfolios – for the moment only a small share of what is relevant appears to be tackled through development finance
- Policy relevant research will help to support action to close knowledge gaps. For example, there is recognition that the private sector is an important actor but that the entry points differ
- Depending on whether it is individuals, households, or business partners, the approach to engaging these actors in adaptation are context and sector specific, and policies will need to be tailored to each
- Meaningful practitioner dialogue is most needed at country level, but it may also be timely to facilitate stronger partnerships, alignment and harmonisation among development co-operation activities and providers working with LDCs and SIDS

For more information on this consultation, please visit our websites:

- <http://www.oecd.org/dac/environment-development/oecd-cpiconsultationondevelopmentandclimatechange.htm>
- <http://climatepolicyinitiative.org/event/cop19-OECD-CPI-consultation-on-development-and-climate-change>



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**Consultation on Development and Climate Change**  
**Tuesday, 19 November, Conference Room Grodno, Polonia Palace Hotel, Warsaw**

*Tracking Climate Finance (11:30 – 13:00),  
Lunch (13:00-13:30) and  
Strengthening Development Co-operation for Adaptation (13:30-15:00)*

**Facilitator: Serge Tomasi, OECD**

**11:30 – 13:00: Part 1. Tracking climate finance**

The session aims at boosting transparency and accountability in climate-related development finance and discussing the tracking of international public finance, in particular climate-related official development assistance (ODA) and other official flows (OOF) across bilateral and multilateral institutions.

Speakers:

- **Barbara Buchner, CPI, [CPI Landscape of Climate Finance 2013](#)**
- **Jan-Willem van de Ven, EBRD, Joint MDB Climate Finance Tracking**
- **Jochen Harnisch, KfW, Recent International Initiative of the DFIs on Climate Finance**
- **Stephanie Ockenden, OECD, OECD Tracking of Climate-related Official Development Finance**

Discussion Questions:

- How to bring together the various initiatives tracking international public finance to ensure they are mutually reinforcing and build an accurate and robust understanding of climate flows?
- What are the interests and ambitions of Parties and relevant institutions to establish an integrated system for tracking international climate finance?
- What specific steps could be taken in the near-term to enable the creation of an integrated system and to overcome existing constraints to this end?

**13:00 – 13:30: Buffet lunch (on-site)**

**13:30 – 15:00: Part 2. Strengthening Development Co-operation for Adaptation**

The session aims at strengthening development co-operation providers' efforts to help partner countries deliver effective adaptation outcomes.

Speakers:

- **Batu Uprety, Nepal & LEG representative, Update on the LEG priorities and interests in engaging with the development co-operation community on adaptation**
- **Jane Wilkinson, CPI, Making Adaptation a Private Sector Business: Early Insights from the Pilot Program for Climate Resilience**
- **Gottfried von Gemmingen, Germany & Co-chair of OECD Task Team on Climate Change and Development Co-operation, Outline of OECD work on Development Co-operation and Adaptation.**

Discussion Questions:

- What types of support do partner countries most need from development co-operation providers to boost effective adaptation planning and implementation in the context of national, sub-national and sector development planning?
- How are development co-operation providers organising and prioritising their resources to best support adaptation in LDCs and other vulnerable countries?
- How to improve the effectiveness of development co-operation interventions, including better engaging with private actors?



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## Background - recent reports

### 1) Tracking Climate Finance:

- OECD DAC Statistics: [Climate-related Aid, Aid to Climate Change Adaptation and Climate Change Mitigation](#) (2013)
- Climate Policy Initiative: [Global Landscape of Climate Finance](#) (2013), [The Role of Development Finance Institutions and Development Banks in Scaling Up Green and Climate Investments](#) (2013)
- [Joint Report on MDB Climate Finance 2012](#) (2013)

### 2) Development and Adaptation Policy:

- Climate Policy Initiative: [Engaging the private sector in climate change adaptation: Early evidence from the Pilot Program on Climate Resilience](#) (forthcoming)
- UNFCCC/LEG: [Technical Guidelines for National Adaptation Plans](#) (2012)
- OECD Policy Guidance: [Enhancing Capacity for Greening Development](#) (2012)
- OECD Policy Guidance: [Integrating Climate Change Adaptation into Development Co-operation](#) (2009)