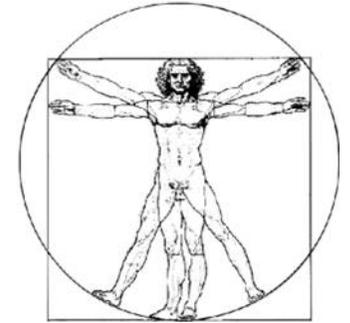


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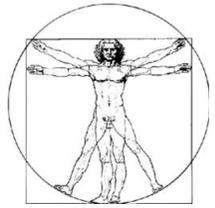


The third goal of the Paris Agreement:

Making finance consistent with low GHG and climate-resilient development

for sustained capacity building in support of international climate change negotiations

pour un renforcement durable des capacités en appui aux négociations internationales sur les changements climatiques

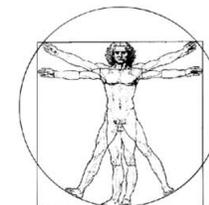


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Paris Agreement

Article 2(1)(c). Making finance **flows consistent** with a **pathway** towards **low greenhouse gas** emissions and **climate-resilient** development.

Ongoing work

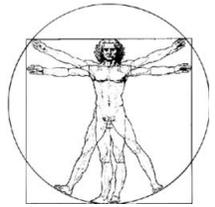


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April 2022: Parties, FM operating entities, other finance sector stakeholders were invited to make submissions covering:

- Ways to achieve Article 2.1c
- Options for approaches
- Guidelines for implementation

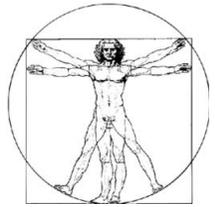
November 2022: SCF will prepare a synthesis of submissions for CMA.4



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What do “finance flows” refer to?

- E.g. any type of investment (real investment)? Export credits?
- E.g. are domestic investments considered “flows”?

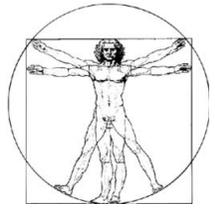


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Article 4 of the Convention, Article 9 and Article 2(1)(c) of the PA

Definitional issue: How do we disaggregate “*climate finance*” from “*finance consistent with Article 2(1)(c)*”?

Article 2(1)(c) should not be used to diminish climate finance responsibilities deriving from the Convention and the Paris Agreement, including the \$100 billion per year goal.

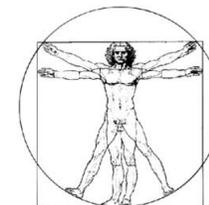


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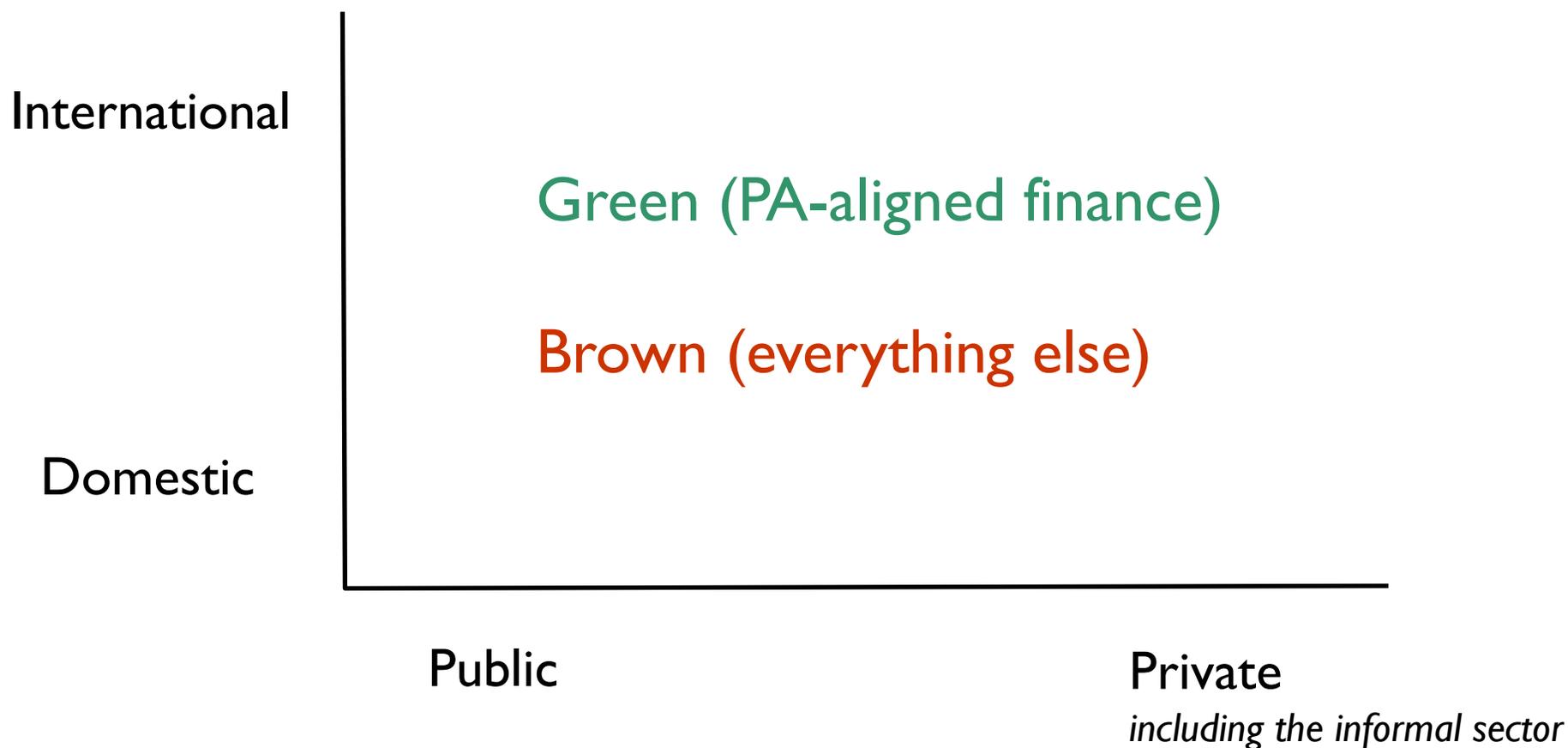
What **information / data** would **inform**
that finance flows are **consistent** with a
pathway towards low GHG and climate resilient
development?

Several submissions identified a general framework

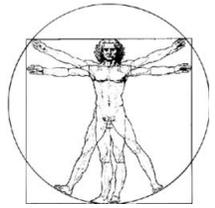
Does which “flow” it is matter when determining green (PA-aligned) finance?



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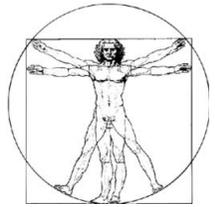
What is green and what is brown?



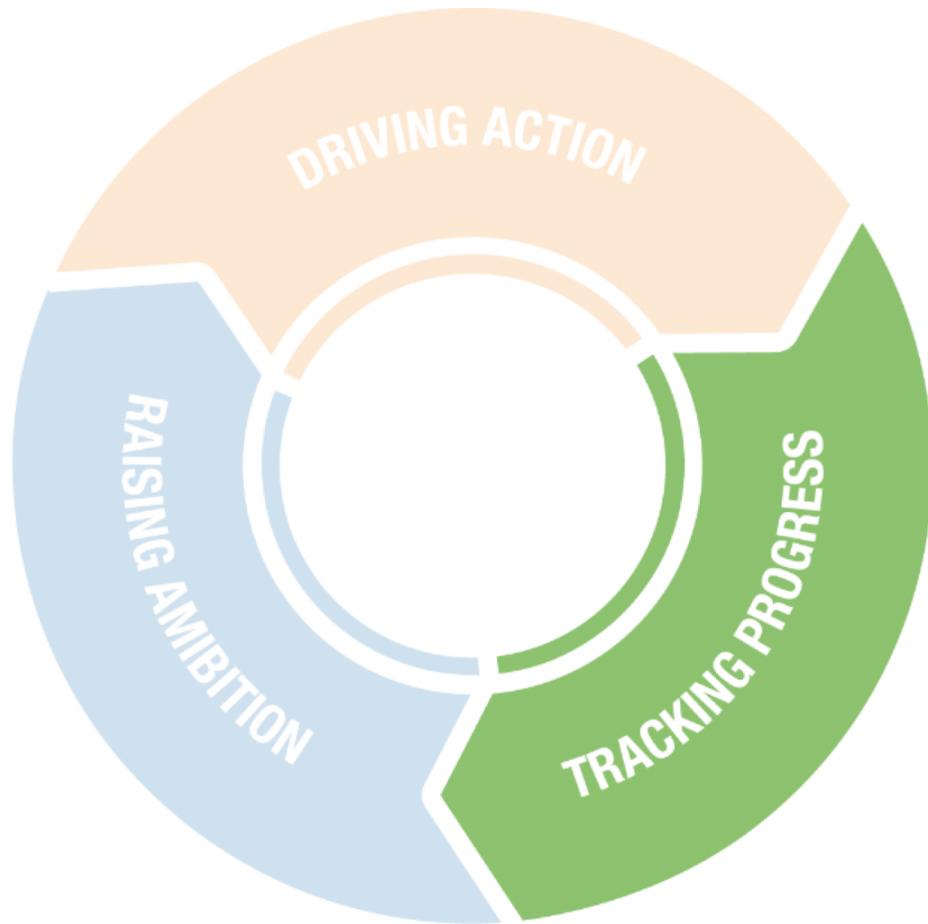
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What **institutional arrangements** would be necessary to track consistency in the context of Article 2(1)(c)?



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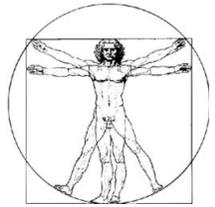


National

- Article 9(5) ex ante reports
- Biennial Transparency Reports (Article 13) support tables under Article 9
 - Expert reviews

Global

- Global Stocktake
- Standing Committee on Finance reports



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Discussion questions

- (i) What do “finance flows” refer to?
- (ii) How do we disaggregate “climate finance” from “finance consistent with Article 2(1)(c)”?
- (iii) What information / data would inform that finance flows are consistent with a pathway towards low GHG and climate resilient development?
- (iv) What institutional arrangements would be necessary to track consistency in the context of Article 2(1)(c)?