

Joint Statement on Tracking Progress Towards the \$100 billion Goal
Paris, France, 6 September 2015

On September 5 and 6, 2015, ministers and senior officials from our governments¹ met in Paris to discuss collaborative efforts to scale up climate finance and provide increased transparency on our progress. We focused in particular on tracking progress towards the goal of jointly mobilizing \$100 billion dollars a year by 2020 from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources of finance, to address the needs of developing countries, in the context of meaningful mitigation actions and transparency on implementation. At the halfway mark to the 2020 target date, we note that climate finance is already flowing at increasing levels. We will continue our efforts to provide and mobilize increased finance from public and private sources for adaptation and mitigation and to demonstrate that developed countries are well on their way to achieving this goal.

We have worked hard to fulfill the finance decisions in the Cancun framework and will continue to do so. We have fulfilled our 2010-2012 “fast start finance” commitment. In 2014, we and many other countries provided robust pledges to the Green Climate Fund (GCF), enabling initial resource mobilization to exceed \$10 billion, and we look forward to the GCF’s first round of project approvals later this year.

As we continue to work towards the \$100 billion goal, we recognize the need for increased transparency in reporting on our progress. Building on the work of the Research Collaborative on Tracking Private Climate Finance², we have developed a common understanding of the scope of mobilized climate finance and a common methodology for tracking and reporting towards this goal. We invite others contributing to the \$100 billion goal to join our efforts. Our institutions and agencies will endeavor to use this framework as a basis going forward. We note the efforts of the multilateral development banks (MDBs) and the members of the International Development Finance Club to harmonize the way they account for climate finance, and we are working with them, as well as other relevant international institutions, to align our tracking and reporting systems as much as possible over time.

Our Common Understanding of Mobilized Climate Finance

In developing our common methodological framework, and for the purpose of tracking progress towards the \$100 billion goal, we consider mobilized climate finance to include:

- Public finance provided by our governments through a variety of institutions (including through the operating entities of the financial mechanism of the Convention, bilateral aid agencies, development finance institutions, export credit agencies (ECAs) and multilateral

¹ Australia, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Poland, Sweden, Switzerland, United Kingdom, United States, and the European Commission.

² The Research Collaborative on Tracking Private Climate Finance is an OECD-hosted consortium of experts from international financial institutions, the private sector, governments, and non-governmental organizations that is working to develop tools for more accurately tracking mobilized private climate finance.

entities) and instruments (concessional and non-concessional, including grants, loans, equity, and de-risking instruments), where such finance is identified as climate relevant using criteria in line with those agreed within relevant international organizations such as the OECD, IPCC, and MDBs. We intend to report transparently on different categories of public climate finance.

- Private finance for climate-relevant activities that has been mobilized by public finance or by a public policy intervention, including technical assistance to enable policy and regulatory reform.

Key Elements of Our Common Methodology

In developing our methodology, we have been guided by the following principles: to ensure that only finance mobilized by developed country governments is counted towards the \$100 billion goal and that, where multiple actors are involved, the resulting finance is only counted once in tracking our progress; and to ensure that our reporting framework encourages and incentivizes the most effective use of climate finance.

In accounting for mobilized private climate finance, we intend to assess the amount of private finance mobilized on an activity-by-activity basis and to report on private finance associated with activities where there is a clear causal link between a public intervention and private finance and where the activity would not have moved forward, or moved forward at scale, in the absence of our governments' intervention. In recognition of the role that developing countries play in mobilizing private finance, our governments will report only on our share of private finance mobilized, excluding the share of private finance that developing countries' public finance has mobilized.

Looking Ahead

It is important to note that current data and methodological limitations prevent us from accounting for the full range of flows that we are mobilizing towards the \$100 billion goal at this time, in particular those mobilized through public policy interventions. As such, any near-term estimate produced will necessarily be partial, and will omit some – and possibly a substantial amount – of climate finance mobilized. We intend to continue to improve our methodology as data availability increases and measurement methods evolve, and, as a result, we expect our reporting to become more complete over time.

We look forward to the estimates of mobilized climate finance that the Organization for Economic Co-operation and Development (OECD) and the Climate Policy Initiative (CPI), at the initiative of the French and Peruvian presidencies, will produce, taking into account our common methodological framework and the latest 2013 and 2014 data, recognizing the partial and initial nature of these estimates due to data limitations and methodological constraints. We welcome the organization by the current and incoming COP presidencies of a ministerial meeting in Lima.