



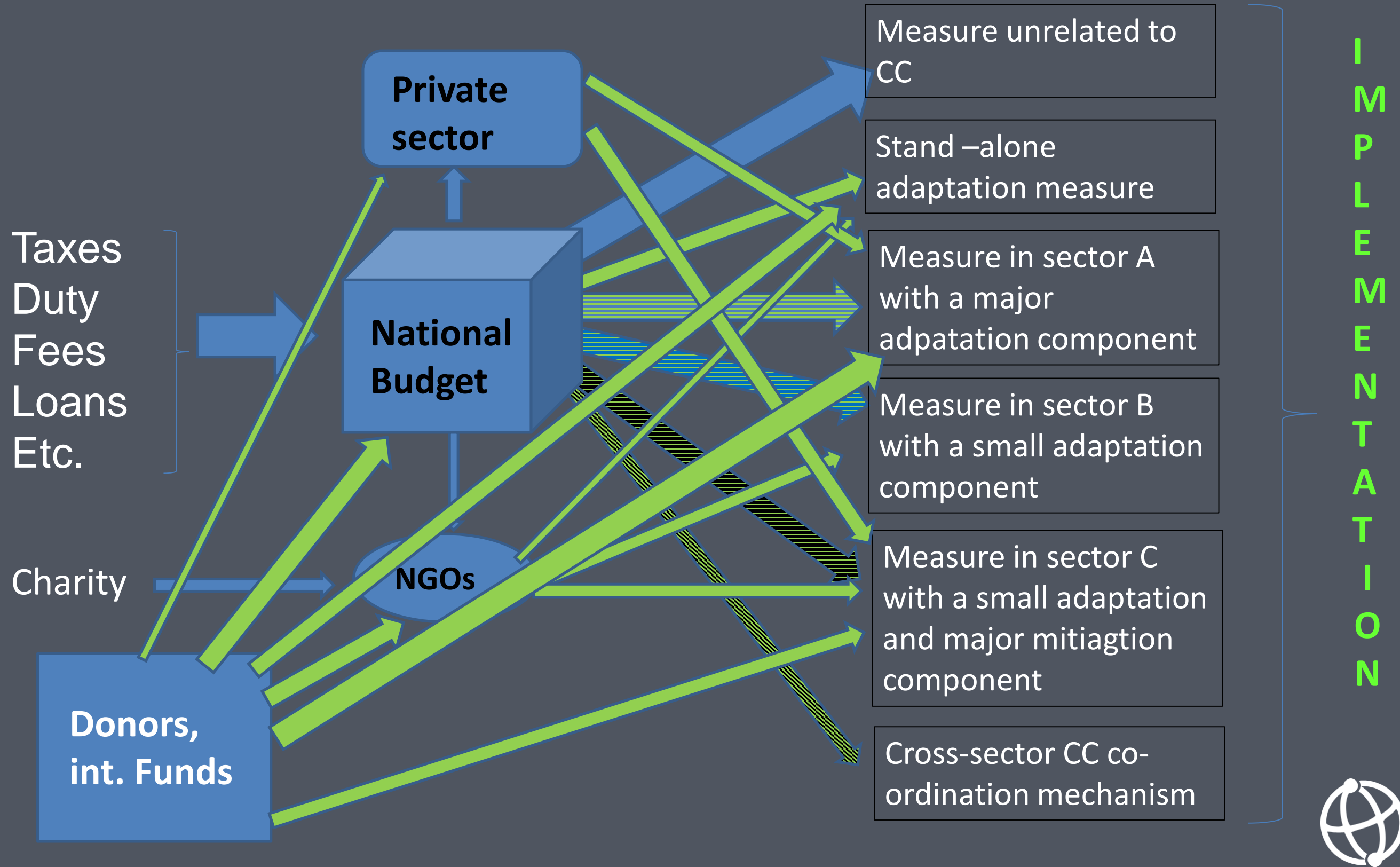
NAP Global Network

Coordinating
Climate-Resilient
Development

Tracking Climate Finance
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Finance flows



Tracking or Tagging CF?

No clear definition, but often used as such:

Tracking

Identifying budgets allocated and/or spend on climate related measures

Tagging

Putting a „tag“ on climate related finance in national budgets, e.g. an additional „climate code“ on budget lines that finance climate measures;

Climate Budget Tagging (CBT)



Why tracking adaptation finance?

- » identify how much a state spends on adaptation
- » identify which sector (ministry) spends most on adaptation
- » in case the country has a “results based budgeting system”: identify which programmes are effective and should receive more funding
- » To bring all public spending (including off-budget expenditure) within the national budgetary system (CCFF)

An obvious starting point – but one too readily overlooked – is to have clearly stated objectives that the proposed system is expected to deliver.



Food for thought:

Another consideration at the design stage of any monitoring and tracking system is to determine whether only ‘positive’ spending should be identified. There is increasing policy interest to understand the level of public expenditure that may undermine the response to climate change, for example by public investments in fossil fuel generation or public subsidies for land-use change where increased carbon emissions can be expected. To-date, climate change budget tracking has focused on so-called positive expenditures only.

