

Submission of Switzerland to communicate indicative quantitative and qualitative information related to Article 9, paragraphs 1 and 3 of the Paris Agreement for 2021 and 2022

In accordance with Article 9 Paragraph 5 of the Paris Agreement, hereby Switzerland submits the available indicative quantitative and qualitative information related to Article 9, paragraphs 1 and 3 of the Paris Agreement, including, as available, projected levels of public financial resources to be provided to developing country Parties.

1. Enhanced information from Switzerland to increase clarity on the projected levels of public financial resources to be provided to developing countries, as available:

In 2018, Switzerland provided 340 Mio. USD of climate specific bilateral and multilateral public finance.

Switzerland will continue to provide public climate finance and has set itself the target to provide by 2024 400 Mio. CHF public finance per year through bilateral and multilateral channels for climate action in developing countries. This includes the Swiss contribution to the Green Climate Fund. The target was set in the context of Switzerland's international cooperation strategy 2021-2024. It is not possible to project the detailed projected annual levels for 2021 and 2022.

In addition to this, Switzerland will continue to provide its fair share to the Global Environment Facility, the LDCF, the SCCF and the Montreal Fund and has committed in total 145.03 Mio CHF for the fouryear period 2019-2022.

2. Indicative quantitative and qualitative information from Switzerland on programmes, including projected levels, channels and instruments, as available;

Switzerland will continue to provide its international public climate finance primarily through grants as well as partially in the form of public equity to increase the mobilization of private capital.

Switzerland will also continue to provide climate specific grant-based inflow to multilateral institutions and other organisations, which then may use the concessional finance provided by Switzerland for possible blending through other financial instruments, such as concessional loans, equity or guarantees.

Switzerland will continue to provide its public climate finance through bilateral and multilateral channels, including the operating entities of the Financial Mechanism. Switzerland has committed 150 Mio. USD for GCF-1 and 118.34 Mio CHF for GEF-7.

3. Swiss information on policies and priorities, including regions and geography, recipient countries, beneficiaries, targeted groups, sectors and gender responsiveness

Addressing climate change and its effects and managing natural resources sustainably is one of the four overarching objectives of the Swiss international cooperation strategy 2021-2024. Thematic priorities for each country are defined in country specific programs, elaborated in a dialogue with the partner country. Climate relevant support is provided to numerous countries through bilateral cooperation. Further details on how this strategic objective will be implemented (incl. policy priorities and sectors) together with Switzerland's partner countries in the various geographic regions are provided in the following document, section 4, including a list of partner countries (page 27): https://www.eda.admin.ch/dam/deza/en/documents/die-deza/strategie/broschuere-IZA-strategie-2021-2024_EN.pdf

The promotion of gender equality is also part of one of the four strategic overarching objectives of the Swiss international cooperation strategy 2021-2024 and therefore gender responsiveness will be mainstreamed into the Swiss climate action support, where feasible.

Geographic focus, according to the Swiss international cooperation strategy 2021-2024:

The **Economic Cooperation and Development of the Swiss State Secretariat for Economic Affairs** focuses its bilateral interventions on the following countries:

- Albania
- Azerbaijan
- Bosnia and Herzegovina
- Colombia
- Egypt
- Ghana
- Indonesia
- Kosovo
- Kyrgyzstan
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- North Macedonia
- Peru
- Serbia
- South Africa
- Tajikistan
- Tunisia
- Ukraine
- Uzbekistan
- Vietnam

The **Swiss Development Cooperation (SDC)** is primarily active in the following countries:

- Afghanistan
- Albania
- Bangladesh
- Benin
- Bolivia
- Bosnia and Herzegovina
- Burkina Faso
- Central African Republic
- Central America (Nicaragua, Honduras)
- Central Asia (Kyrgyzstan, Tajikistan, Uzbekistan)
- Chad
- Colombia
- Cuba
- The Great Lakes Region (Rwanda, Burundi, Democratic Republic of the Congo)
- Horn of Africa (Somalia, Ethiopia, Kenya)
- Haiti
- Hindu Kush (Afghanistan, Pakistan)
- Kosovo
- Mali
- Mekong region (Cambodia and Lao's People's Democratic Republic)
- Middle East (Syria, Lebanon, Jordan, Iraq)
- Moldova
- Mongolia
- Mozambique
- Myanmar
- Nepal
- Niger
- North Africa (Tunisia, Libya, Morocco, Egypt, Algeria)
- North Korea
- North Macedonia
- Occupied Palestinian Territory
- Serbia
- South Caucasus (Georgia, Armenia, Azerbaijan)
- South Sudan
- Southern Africa
- Sudan / Eritrea
- Tanzania
- Ukraine
- Yemen

In addition, **SDC's Global Programme Climate Change and Environment (GPCCE)** follows a global and regional approach. It supports innovative climate action and collaborates with governments at global level, in selected regions and countries to create enabling environments for ambitious climate actions and climate resilient development. The country and activity selection criteria are needs, effectiveness and sustainability as well as the political will and role of the country or region in addressing the global challenge.

GPCCE works with partner countries on topics where it can generate a genuine added value and achieve highest global benefit within the limits of the given financial and human resources.

SECO Climate Network (CN) is a center of competence and support to the development cooperation sections of the Swiss State Secretariat for Economic Affairs (SECO) in the field of climate change. It supports the implementation of the Swiss international cooperation strategy 2021-2024. It strengthens expertise and awareness to climate risks and opportunities within SECO operations. It works towards a greater mobilization of private funds for climate. It supports SECO's operations in systematically taking climate risks and mitigation and adaptation measures into account in the design and monitoring of its activities.

4. Swiss information on purposes and types of support: mitigation, adaptation, crosscutting activities, technology transfer and capacity-building

Switzerland will continue to provide support for mitigation, adaptation and cross-cutting activities. In 2017 and in 2018 Switzerland has provided slightly more public climate finance on a grant equivalent basis for adaptation activities in developing countries than for mitigation activities. Switzerland will continue to aim for a balance between its support to developing countries for mitigation and adaptation activities on a grant equivalent basis for 2021 and 2022.

Switzerland will pursue to provide technology transfer and capacity-building support for climate action to developing countries. Technology transfer and capacity-building will continue to be an integral part of most projects and programs of the Swiss bilateral climate support to developing countries.

5. Information on the factors that providers of climate finance look for in evaluating proposals, in order to help to inform developing countries

Switzerland supports innovative climate action and collaborates with governments in selected regions/countries to create enabling environments for ambitious climate actions and climate resilient development. Switzerland is active in thematic areas and geographic contexts where it can build on Swiss expert's knowledge and experiences such as for example energy efficiency in the building sector or Disaster Risk Reduction in mountainous regions. Projects are selected based on country priorities and needs (as per their NDCs); political will and enabling environment in the recipient country; as well as sustainability and scalability potential of a project.

Project proposals with a geographic focus on Swiss partner countries (cf. list above) have a higher chance to be taken into account.

In addition, Switzerland supports several multilateral (see above) and global initiatives, which work towards a paradigm shift at global level in one specific thematic field, such as the Climate and Clean Air Coalition (CCAC).

6. An indication of new and additional resources to be provided, and how it determines such resources as being new and additional

Switzerland notes that the Paris Agreement does explicitly not call for new and additional resources.

Switzerland's development assistance has gradually shifted to place an enhanced focus on climate change, thus pushing the envelope of climate-relevant and climate-proofed programmes and projects in developing countries. These strategic decisions lead to a remarkable progression compared to previous efforts. Switzerland therefore will continue to consider and determine its provided climate finance as new and additional.

7. Information on national circumstances and limitations relevant to the provision of ex ante information

The Swiss climate support to developing countries is financed primarily through the 4-year framework credits for international cooperation and partially also through its 4-year framework credit for the global

environment. Those 4-year framework credits are decisions of the parliament on the maximum available funds during the given period for this specific purpose. The current 4-year framework credits and the accompanying strategy for international cooperation run from 2021-2024. The current 4-year framework credit for the global environment runs from 2019-2022.

In addition to the framework credits, Switzerland has annual budget cycles. During the annual parliamentary debate on the budget the Swiss parliament can adjust the foreseen budget based on the 4-year framework credits, given the fact that the 4-year framework credits are considered as maximum available funds. Therefore, the full realization of the objectives described in the strategies related to the 4-year frameworks might depend, to some extent, to the annual budgetary decisions of the Swiss parliament.

The Swiss support to developing countries for climate action is deployed in a demand driven manner and therefore can only be provided if the Swiss partner countries also prioritize climate actions in our partnership and within their countries (as per their NDC and other relevant national strategies and policies) and demonstrate engagement at national and potentially subnational level accordingly. The demand and absorption capacity of our partner countries is therefore a crucial element for the level and focus of our climate support provided to developing countries.

8. Swiss information on relevant methodologies and assumptions used to project levels of climate finance

The projected levels are based on political targets (e.g. goal of 400 Mio CHF per year by 2024, set by the Federal Council) or actual commitments (e.g. contribution to GCF-1 or GEF-7).

9. Swiss information on challenges and barriers encountered in the past, lessons learned and measures taken to overcome them

In 2014, a “Report on Effectiveness” assessed the climate effectiveness of Swiss International Cooperation 2000-12¹. A subsequent assessment of recent years is planned for 2021. In 2014, the authors of the report faced the challenge that international standards for measuring climate adaptation were “only beginning to emerge”. Data for monitoring and reporting climate impact was often not available, including no baselines. The authors noted that “effectiveness of adaptation projects is particularly difficult to quantify, as adaptation results are often of a qualitative nature and visible only in the long-term”.

The analysis concluded that the Swiss-funded projects carried out between 2000 and 2012 have been moderately to strongly effective in achieving climate-relevant development results. More than 90% of the projects were assessed as being effective in terms of climate mitigation or adaptation. The study recommended (i) to improve measurement of climate impacts, including definition of baselines, (ii) enhance mainstreaming of climate aspects into all operation of international cooperation, and (iii) to further harmonize approaches and definitions.

In the following years, Switzerland has defined common climate reference indicators and harmonized methodologies for climate finance accounting. Further, we would like to highlight that the awareness raising on the impact of climate change continues to be critical and needs to be strengthened.

The Swiss Agency for Development and Cooperation (SDC) intends to integrate climate change, environment and disaster risk reduction considerations into all its operations in forthcoming years. This is done based on the SDC “Climate, Environment and Disaster Risk Reduction Integration Guidance (CEDRIG)”. Specific trainings and workshops are provided to cooperation offices and collaborators, based on demand.

¹ https://www.eda.admin.ch/dam/deza/en/documents/publikationen/Wirkungsberichte/234508-wirkungsbericht-2014-klimawandel_EN.pdf

10. Information on how Switzerland is aiming to ensure a balance between adaptation and mitigation, taking into account the country-driven strategies and the needs and priorities of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the least developed countries and small island developing States, considering the need for public and grant-based resources for adaptation

In 2017 and in 2018 Switzerland has provided slightly more public climate finance on a grant equivalent basis for adaptation activities in developing countries than for mitigation activities. Switzerland will continue to aim for a balance between its support to developing countries for mitigation and adaptation activities on a grant equivalent basis for 2021 and 2022.

The Swiss support to developing countries for climate action is deployed in a demand driven manner, where the majority of partner countries prioritizes adaptation over mitigation.

Switzerland will continue to provide its climate action support in particular for adaptation actions primarily through grants.

11. Action and plans from Switzerland to mobilize additional climate finance as part of the global effort to mobilize climate finance from a wide variety of sources, including on the relationship between the public interventions to be used and the private finance mobilized

Switzerland remains committed to increasing its share of mobilised private finance as part of its climate finance spending. It is also keen to advance efforts at the international level to collectively capture and report on private climate finance mobilised through multilateral channels and to fully capture the outflow of public climate finance by multilateral institutions.

In 2018, Switzerland has mobilized approximately 100 Mio. USD private climate finance through its contributions to multilateral organisations and has mobilized 112 Mio USD private climate finance through bilateral co-financing. Switzerland aims to continue to increase its share of mobilized private climate finance in 2021 and 2022.

12. Swiss information on how financial support effectively addresses the needs and priorities of developing country Parties and supports country-driven strategies

Relating to multilateral programming – likewise the bilateral programming – Swiss delegates will continue to advocate for country ownership (implying country need-based programming) and impact oriented programming in the various multilateral funding institutions and governing bodies of multilateral climate finance funding schemes, in which Switzerland will participate as a contributor.

All multilateral activities supported by Switzerland will continue to ensure that their activities are endorsed by the recipient countries to ensure the projects fit within the recipient countries' priorities and that the funded interventions are sustainable.

In addition, most multilateral institutions, which are active in the area of climate finance, have started initiatives for a better integration and alignment of their portfolio with the communicated nationally determined contributions of developing countries. The more detailed and precise the nationally determined contributions are formulated, the easier it will be for agencies to align their investments and initiatives with the national priorities of developing countries. In the past, this has been very challenging since the Biennial Update Reports, which could be used to communicate the needs and priorities of developing countries, have not been submitted on time by multiple Parties or have not been submitted at all.

13. Information on how support provided and mobilized by Switzerland is targeted at helping developing countries in their efforts to meet the long-term goals of the Paris Agreement, including by assisting them in efforts to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development

Switzerland has set climate change as one of the four pillars of its new international cooperation strategy 2021-2024, Its support to mitigation and adaptation projects and programs will be strengthened.

In order to boost the mobilization of the private sector for climate-friendly investments in developing countries, SECO is willing to promote partnerships, including multilateral partnerships, aimed at mobilizing private resources. In addition to the specific programs on climate change, this topic will be mainstreamed in most development cooperation projects and programs.

Through various initiatives, SDC is supporting countries in elaborating and strengthening their NDCs to ensure long-term alignment to the Paris Agreement. Moreover, partner countries have to demonstrate their commitment to ambitious climate action – this is a prerequisite for any bilateral engagement.

14. Information on efforts to integrate climate change considerations, including resilience, into their development support

In the international cooperation strategy 2021-2024, Switzerland intends to systematically take climate risks as well as mitigation and adaptation measures into account in the design and monitoring of all its development cooperation activities. A specific tool, the “Climate, Environment and Disaster Risk Reduction Integration Guidance (CEDRIG)” was developed. Specific trainings and workshops are provided to cooperation offices and collaborators, based on demand. Switzerland will strengthen the capacity of national and sub-national governments and local communities to adapt to the impacts of climate change through its projects and programs. It will also proactively identify climate change mitigation opportunities in its projects and programs.

15. Information on how support to be provided to developing country Parties enhances their capacities

Capacity building is an integral part of most bilateral projects of the Swiss international cooperation. Interventions usually aim at increasing capacities of government officials at national and subnational level, scientists and community members in order to enhance ownership and long-term impacts of project interventions.

In addition, SECO is of the opinion that accompanying developing countries in developing regulatory frameworks that enhance mitigation opportunities and reduce climate risks is essential to foster private investment.

The approach of SDC to capacity development is rooted in principles such as ownership, flexibility, process-orientation, and subsidiarity, inclusion. Operational support is country specific and responds to partner countries’ development priorities. As much as possible, it is built upon local expertise.