Guide for reporting information on climate finance in Financial Entities supervised by SUGEF in Costa Rica

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Acronyms

IDB	Inter-American Development Bank
BM	world Bank
BMU	Federal Ministry of the Environment, Nature Protection, Public Works and Se- Germany Nuclear Safety (for its acronym in German)
UNFCCC	United Nations Framework Convention on Climate Change
CNE	National Commission for Risk Prevention and Emergency Attention
DCC	Climate Change Directorate
ENCC	National Climate Change Strategy
FA	Adaptation Fund
FVC	Green Climate Fund
GEF	Global Environment Fund
GHG	Greenhouse gases
GFLAC	Climate Finance Group for Latin America and the Caribbean
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICI (IKI)	International Climate Initiative
IFC	International Finance Corporation
IPCC	Intergovernmental Panel of Experts on Climate Change
MDB	Multilateral Development Banking
MIDEPLAN	Ministry of National Planning and Economic Policy

MINAE MRV	Ministry of Environment and Energy Monitoring, reporting and verification
NDC	Nationally Determined Contribution
NGFS	Network of Central Banks and Supervisors for the Greening of the Financial System
OECD	Organization for Economic Growth and Development
PNA	National Adaptation Policy
SICVECA	Data Capture, Verification and Loading System
SINAMECC	National System of Climate Change Metrics
SUGEF	General Superintendency of Financial Entities
TCFD	Task Force on Climate-related Financial Disclosures
tCO 2 e	Tons of carbon dioxide equivalent
UNEP-FI	United Nations Environment Program - Finance Initiative

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Introduction

Financial Entities supervised by SUGEF in Costa Rica "was prepared giverfwithing framework as information climat Il Progense financed by the Initiative Climatic International (ICI) of the Federal Ministry of the Environment, Protec-Nature, Public Works and Nuclear Safety (BMU) of Germany, executed by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH in Costa Rica, and with the Climate Change Directorate (DCC) of the Ministry of Environment and Energy (MINAE) as counterpart. It was developed in close collaboration with the General Superintendency of Financial Entitiesras (SUGEF).

The Guide is aimed at financial entities regulated by SUGEF and, therefore, Therefore, subject to providing information on climate finance through of the Data Capture, Verification and Loading System (SICVECA).

The Guide is intended to serve as a guideline for monitoring financing climate. In this way, it promotes a correct classification and a report you cash information. The steps to be taken are presented and explained follow the financial entities, in order to adequately report the information tion on climate finance during the preparation of their reports to the SICVECA .

1.1 National context regarding climate change matic

Costa Rica is located in one of the most vulnerable areas to imclimate change and climate variability compacts. Storms, hurricanes and increased temperatures affect the country more frequently and intensely. dad. Each climatic event sharpens the exposure, fragility and capacity dades of the inhabitants, the environment and their economic systems.

In 2015, the government of Costa Rica presented to the Framework Convention

of the United Nations on Climate Change (UNFCCC) their commitments climate conditions, also called **Nationally Determined Contribution** (NDC, for its acronym in English), document that contemplates the commitments

The new information requirement will be launched by SUGEF in 2020. The entities regulated by SUGEF will have to report the required information six (6) months after this launch.

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mitigation and adaptation to climate change, to comply with the provisions of the Paris Agreement.

Through the NDC, Costa Rica reaffirms its aspiration to become a carbon economy neutral to the year 2021, with net emissions comparable to those of 2005. In addition, the country is committed to aims to net emit a maximum of 9,374,000 tons of carbon dioxide equivalent lens (tCO : e) by 2030. This commitment implies a decrease of approximately 44% of GHG emissions, with respect to the trend scenario of emissions, that is, Costa Rica it should reduce 170,500 tons of GHG. The NDC also contemplates goals in terms of adaption, for example, the development of the National Adaptation Policy 2018-2030, which was published each year 2018, and the National Policy for Risk Management associated with Disasters 2016-2030. In addition, to meet the vulnerability reduction objectives, adaptation actions tion should consider social criteria, ecosystems, land use, infrastructure resilience, access to basic services and capacity building and technology transfer (Go-Government of Costa Rica, 2015).

Another important policy document in Costa Rica is the **National Decarbonization Plan. 2018-2050**, which guides the process to establish the route between the current goals and 2050 consistent with the fulfillment of the objectives of the 2030 Agenda and the Paris Agreement. For this, the aforementioned Plan identifies technological transformation routes, based on 10 axes sectors with policy packages in three periods: start (2018-2022), inflection (2023-2030) and massive deployment (2031-2050), and 8 transversal strategies to promote change (Government from Costa Rica, 2018).

Following the provisions of the Paris Agreement, Law of the Republic No. 9405 and the National **Policy nal of Adaptation** DE-41091-MINAE, establishes the need for public institutions and private companies have tools that allow them to include climate actions in their activities. vities.

1.2 Importance of climate finance

Changes in the global average temperature of the planet and therefore the increase in events climatic conditions have negative impacts on society, environment and infrastructure. Is situation can complicate the economic environment and even reduce the availability of resources for production. Studies show that the economic costs associated with natural disasters rales exceed US \$ 140 billion annually in the last seven years (NGFS, 2019).

On the other hand, the effects of climate change could be reflected in mass displacements. populations, as well as conflicts and political instability, diminishing the scenarios of version. Additionally, companies, project developers and government that do not have with the necessary insurance to offset the losses of its assets as a result of severe weather events, could see your ability to pay affected and therefore suspend your debt commitments. Other risks to the financial sector are associated with management and focus of your investments. Faced with a world panorama where more and more are contemplated climate scenarios within growth projections, public policies and models These raise the need to transition to activities and technologies that are compatible with a low carbon river. In this regard, financial risks can only be seen in a scenario with Guide for reporting information on climate finance in Financial Entities supervised by SUGEF in Costa Rica

changing policies or where the technological transition happens unexpectedly, making it impossible the recovery of investments. In this sense, it is important that financial institutions redirect or adjust their investments with policy scenarios that may vary from country to country (NGFS, 2019).

At the international level, climate finance has become increasingly relevant, which is This is mainly due to the fact that, from the signing of the Paris Agreement, the urgency of nalize and mobilize resources in order to limit the increase in average temperature less than 2 degrees centigrade (° C) relative to pre-industrial levels, thus as well as pursuing efforts to limit the increase to 1.5 ° C. (UNFCCC, 2015). Furthermore, in terms financing, said agreement in its article 2 establishes the importance of making financial flows made possible for countries to move towards low-emission development greenhouse gas emissions and allowing the creation of conditions that enable the resilience of inhabitants in the face of changes in the climate (UNFCCC, 2015). Therefore, the public, private, financial, academia and civil society should make efforts in this regard with the objective of identify innovative resource mechanisms for projects that contribute to the attention of losses and damages generated by climate variability.

In this sense, the National Commission for Risk Prevention and Emergency Attention (CNE) estimated that between 2005 and 2017 there were losses of US \$ 2,210 million, in the items of infrastructure, services and production (MINAE, 2018). These figures have a significant impact cusion at the fiscal level, given the size of the national economy (the total losses recorded by the impact of Tropical Storm Nate in 2017 totaled US \$ 577 million, equivalent to 1% of the Annual Gross Domestic Product for that year (World Bank, 2018). Evidence shows that Human systems are fragile and exposed to the negative effects of climate change. The organizations and institutions should invest early in adaptation to protect its assets and operations with adaptation measures to the most vulnerable populations and women, through productive climate-resilient investments.

On the other hand, on October 8, 2018, the Intergovernmental Panel of Experts on Change Climate Change (IPCC) intensified the urgency to address the global phenomenon, through reducing 45% of global GHG emissions in 2030. The above, due to the fact that already an increase in planetary temperature of 1°C had been caused, as well as to continue with the emissions trend, burning of fossil fuels and deforestation of forests, tempera-The temperature will increase on average 0.2°C per year, reaching 1.5°C or even 2°C by 2030, causing great social, environmental and economic impacts for the countries (IPCC, 2018).

Against this background, from the financial sector, different strategies have emerged to recognize negative implications of climate risks on private investment. For example, the *Task Force on Climate-related Financial Disclosures (TCFD) emerged*, an initiative that promotes the identification and dissemination of information necessary for investors, lenders and insurers for the purpose of adequately assessing the risks and opportunities related to two with climate change (TCFD, 2019).

Likewise, in 1992 in the context of the Earth Summit, the *United Nations* initiative emerged *Environment Program - Finance Initiative (UNEP FI)*, which brings together financial institutions around the world to promote sustainable finance and incorporate social and governance in financing decisions; as well as promoting transparency and accountability reliability on the impacts of their investments (UNEP, 2018).

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Another initiative is the *Network of Central Banks and Supervisors for the Greening of the System Financial (NGFS)* that is characterized by integrating central banks

and supervisors committed to contributing to the development of environmental risk management and climate conditions in the financial sector, and thereby mobilize resources to support the transition to a sustainable economy. It is worth mentioning that this network was launched in December 2017 during the One Planet Summit and currently brings together 36 members (Climate Action in Financial Institutions, 2019).

1.3 Importance of Climate Finance Monitoring

Considering the mandatory nature of the climate commitments acquired by Costa Rica, coupled with the importance of reporting on the status of goals, the need arises to have an information system that allows monitoring and generating reports about on progress in complying with the NDC, including on funds invested and needed to achieve these climate goals. In this sense, in April 2018, the Costa Rican government created the **National System of Metrics for Climate Change** (SINAMECC), "an official platform coordination and institutional and sectoral linkage to facilitate the management and distribution of the knowledge and information on climate change "(MINAE, 2018), whose operation is carried out by the Directorate of Climate Change (DCC). SINAMECC allows to measure, report and verify information on GHG emissions and removals in all sectors of the economy. nomia, as well as evaluating and monitoring the mitigation and adaptation actions implemented taken by decision makers. SINAMECC is subdivided into four modules.

Figure 1. SINAMECC modules

MITIGATION	ADAPTATION	CO-BENEFITS	FINANCING
Information on emissions and absorptions of GHG, and impact of mitigation actions.	Information about vulnerability before the effects CC, and impact of shares of adaptation.	Information about opportunities associated with mitigation and adaptation to CC.	Monitoring and measurement of investments in mitigation and adaptation

Source: Own elaboration, based on (MINAE, 2018).

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The SINAMECC Financing module seeks to provide information on three types of financing. financing (sub-modules) 2 :

- Public climate financing from the national budget, public credit and municipalities;
- Non-reimbursable international climate finance from international cooperation and;
- Private climate finance, channeled through the financial sector.

Information on private climate finance will be based on information on operations credit institutions supervised by SUGEF that contribute to mitigating tion and adaptation to climate change. This information will be collected as part of the reports tests currently carried out by financial institutions supervised by SUGEF through systems that allow them to send credit information to SICVECA, and subsequently, SUGEF gewill generate a report in Excel format, which will be sent automatically on a monthly basis to the SINAMECC, through webservice, which will serve as the database that will feed the module of climate finance (see next figure).

Figure 2. Information integration process to SINAMECC on climate finance granted by financial entities supervised by SUGEF

	SUGEF			
			SINA	MECC
 Report of credit operations change related climate, as part of the report newspaper presenting SUGEF, which will include (through a new requirement) information about the financial flows associated with climate change. 	 Receipt of information and Excel report preparation for SINAMECC. Automatic delivery via webservice to the platform SINAMECC. 	 Integration of the information to SINAMECC Generation of indicators presented through of dashboards and graphics 	Modu Financir clima	le Ig te
Entities Financial		DCC-SINAME	CC	
			Private	Public
	Source: self mad	e	Intern	ational
At a general level, monitoring car gaps and financing needs to opportunities, which in turn wi in order to attract greater inves considering the priorities of the international level.	climate finance will allow C o combat climate change and ll allow you to design invest tment and channel it to the s e country and the commitme	osta Rica to identify I take advantage of the ment plans and financir ectors that most require nts in the matter of clim	ig strategies. it, ate change	
³ When Costa Rica joins the OECD, a fourth by Costa Rica.	1 sub-module will be added to report on	the financial support given to ot	ner countries	

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To be able to account for international and national public climate financing, as well as the coming from the private sector, will promote transparency in the use of resources and will facilitate the the government to prepare national reports on climate change, as well as the Communications National tions and Biennial Update Reports submitted to the Framework Convention of the United Nations on Climate Change, also considering other reports to be re-wanted by the Enhanced Transparency Framework for Action and Support for the Paris Agreement.

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2 Guideaforfreporting information on

Currently the financial entities supervised by SUGEF already report peall your credit operations periodically. In 2020, SUGEF will launch a new information requirement to obtain data on financing climate. Six (6) months later, the requirement will enter into force and the financial entities must report **seven (7) new** additional **fields** , related to climate finance, as part of the procedure regular reporting to SICVECA. Currently, each financial institution performs the Filling of the credit operations that it attends, through a certain own system, which subsequently allows you to generate a report for SUGEF, which is sent monthly by a person in charge through SICVECA. In order to purposes of this project, the usual report will additionally contain the 7 new fields indicated in Table 3.

In this sense, this guide provides the guidelines to identify these credit operations that classify as climate finance, contricontributing to the mitigation of greenhouse gases and / or adaptation to the climate change.

The new fields for reporting are summarized in the following table, and will be explained They will be found in detail in the following sub-chapters.

Table. New fields for climate finance reporting

Report Fields	Description	
Theme	It refers to the sector that benefits from financing according to the category agreed for Costa Rica.	
Subtopic	It refers to the subsector that benefits from financing according to the category agreed upon for Costa Rica.	
Climate change area (mitigation, adaptation or both of the	Refers to the scope of impact of the main climate activity to which it is allocated funding (mitigation / adaptation / both).	
Amount for climate change	It refers to the amount of the operation (in national currency) that is destined specifically for specifically to mitigation and / or adaptation to climate change.	
Anchor	Refers to the institution, or entity, whether national or international that grants funding to the financial institution.	
Font type	It refers to the type of funding, that is, if the financing corresponds to resources national public or private, or in the case of international funding, if it comes from of multilateral or bilateral entities.	
Modality	It refers to whether the financing is Refundable, Non-Refundable or Assistance Technique.	
10 1		

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A key information that will have to be determined and reported is the destination of the credit, which Sorts according to a list of climate change topics, subtopics, and scope. This list defines which activities can be reported as climate finance in Costa Rica. It is based on the one hand in international methodologies to identify climate change activities, such as the Rio Markers of the Organization for Economic Growth and Development (OECD), the List of definitions and metrics for activities related to climate change of the *International Finance Corporation* (IFC), an agency of the World Bank Group, the indicative list of the report set of Multilateral Development Banks, among others (see list of references in annex xo). On the other hand, the list is based on the activities that the country considers as climate change, and that are defined among others in the Decarbonization Plan 2018 - 2050, the National Policy of Adaptation (PNA) 2018-2030, the National Climate Change Strategy (ENCC) and the Contribution Nationally Determined tion.

Apart from that, it will be necessary to identify and report the amount, origin of the funds, type of source and mode. funding dality. In that sense, throughout this guide it will be explained in detail how identify, classify and report climate finance related to credit operations ticias. The process has been subdivided into five main steps, presented in the following figure.

Figure 3. Steps to identify and report information on climate finance

I Identify credit operations related to climate change, and relate them to a topic and subtopic, depending on the activity.

TWO Identify the area of climate change to which they belong.



Identify the amount of financing focused on climate change.



Identify the funder, the source and the financing modality.

5 R

Register the information in SICVECA (prior registration in the computer system of each entity)

Source: self made

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He passed Identify financed operations that can be associated with climate change.

In this step, financial entities must review and identify all those operations loans to which they had provided financing and that could have an impact

direct or indirect (ie be associated) with mitigation and / or adaptation to climate change. That is, the credit operation is directed, totally or partially, to a project that helps mitigate reduce polluting emissions and / or reduce resilience to climate variability. Base To make this identification is the list of topics, subtopics and activities presented below. tion. Financial entities should review and identify, what topic and subtopic are related to the credit operations carried out.

Table 1. List of topics and subtopics related to climate change

Theme	Subtopic
	Public and private transportation
	Freight transport
Transport	Sustainable mobility
	Zero emission technologies
	Fuel Improvement
	Renewable energy
	Energy efficiency
Energy	Policies, laws and research for the transition energetic
	Upgrading and substituting fossil fuels
Urban Development and	Planning, ordering and territorial development with climate change considerations
Territorial Planning	Sustainable construction and basic sanitation
Infrastructure	Resilient infrastructure
Industry	Industrial processes
Waste	Utilization, reuse and waste management
	farming
Agricultural	Cattle raising
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Theme	Subtopic
	Biodiversity and Ecosystems
Atmosphere	Forest management
	Water resources
	Water sanitation
	Disease care and control
Health	Efficient building in the health sector
	Health surveillance
tourism	Resilient tourism
	Prevention of risks associated with climate change
Risk management and care	

disaster

Disaster risk management

Protection and promotion of lifestyles

Research, education and strengthening

capacities for low carbon development and

Planning and governance

Cross

climate resilient

Financing and market tools

Transparency framework

Source: self made

To be more clear about the table above and to know the relevance of those topics, the next chapter called "Description of themes and sub-themes and their relationship to change climate", provides detailed information on the aforementioned list and how it is associated each topic and subtopic with climate change mitigation and adaptation.

NOTEOnce it has already been identified whether a credit operation is related to exchange climate or not, the operations record system of each entity should allow selecting a box called "climate change" with the answers "YES" and "NO", to access or not the deployment of the 7 new report fields that will be required to fill out. In other words, if an operation credit is not related to climate change, and the option "NO" is selected, it will not be necessary fill in the 7 new report fields.

EXCEPTIONAL Chastingle credit operation is related to two (2) or more different issues red wines, you should select the topic that is most relevant and for which you plan to allocate greater amount of financing. The same criteria will apply in the case of choosing subtopics.

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He passetwoIdentify the area of climate change related to related to the operation

To further narrow down the analysis, once the topic and subtopic have been identified, financial institutions. They must relate the operations to any of the activities considered in the list of activities. indicative data that is integrated at the end of this document (Annex 2), in which it is They contemplate 205 activities divided into the aforementioned topics and subtopics and that are in turn related to the area of impact on climate change to which it corresponds den, that is, mitigation, adaptation or both impacts, which also corresponds to one of the new registration fields to be reported. For this, it is suggested to take into account the following three definitions:

Areas of impact:

Mitigation: Actions that contribute to reducing or stabilizing the emission of greenhouse gases greenhouse (GHG) in the atmosphere, or perhaps they were not exclusively created for it; however, they reduce GHG emissions and increase natural carbon sinks (that is, those that absorb CO ² from the atmosphere) according to the emitting sectors of the country.

Adaptation: Use of available climate projections, services, data or information to make decisions through measures that promote exposure reduction and fragility of human, physical and natural systems in order to take advantage of the opportunities, increase their adaptive capacities that allow them conditions of resilience to the negative impacts of climate change to avoid losses and moderate damage.

Both impacts (very particular cases): Actions that have both the potential to reduce GHG emissions such as reducing vulnerability to negative impacts of the climate change, as well as increasing adaptation and resilience to it. This type of

activities are very specific. As mentioned, they are those that have an impact simultaneous both in mitigation and adaptation. For example, plant shade trees in coffee farms.

In this sense, financial institutions should consult the list of activities to relate narrate the operations to which they have granted financing with any of the activities, in order to subsequently classify such financing according to its scope of impact in terms of climate change.

Below is an example of identification of topic, subtopic, activity and classification. financing according to its scope of impact.

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a) Identify operation
credit related
with climate change
b) Identify topic and
elated subtopic

with the operation

credit

Action

Granting of credit to transform a fleet of diesel-based buses to use natural gas as fuel and therefore generate fewer emissions.

Considering that the objective of the financing is to support the transformation of buses, the credit operation is related to the transportation sector.

TOPIC IDENTIFIED

Public and private transportation

Freight transport

Process

Sustainable mobility

Zero emission technologies

Fuel Improvement

c) Relate the credit operation with the activities of the list

Once the topic and subtopic have been identified, the associated indicative activities are reviewed with the selected subtopic and the activity that most closely relates to the operation in question.

IDENTIFIED ACTIVITY

SUBTHEME IDENTIFIED

		SUBTEMES	ACTIVITIES	CLIMATE CHANGE AREA		
	TOPICS			MITIGATION	ADAPTATION	BOTH OF THEM
			Design and implement strategies or actions to constitute a System Integrated Public Transport (1).	x		
			Establish exclusive lanes for vehicles of public transport modality bas (1).	x		
			Improve the quality and efficiency of public transport (1).	х		
			Design and implement mass public transport systems (1).	х		
	Transport	Tomport public and private	Design and implement strategies that promote intermodality in the transportation (1).	x		
			Design and implement transport demand control measures private (1).	х		
			Design and implament incentive schemes to encourage the use of public transport and non-motorized mobility (1).	x		
			Renew the bas fleet for more efficient vehicles and promotion of the decrease in their number (1).	x		
			Design and implement transportation monitoring systems, such as systems $MRV(1)$ (2) (3)	x		
			Promote environmental vehicle verification programs (vehicle review and revision of emission limits) (7)	x		
			Promote scrap and vehicle disintegration programs (7).	х		
			Optimize the use of taxis (Geographical distribution of taxis, buys of parking) (1).	х		
			Build road infrastructure low in GHG emissions and resilient to impacts of climate change (1).			x
			Optimize conventional and alternative engine conversion technologies in the transport sector (1) (2).	х		

As can be seen in the table above, each of the activities is found associated with an area of impact on climate change. So once

financing of according to its scope impact

d) Classification of

the credit operation is related to the topic, subtopic and activity, it is easy to know if the Financing has an impact on mitigation, adaptation, or both.

In the case of the operation under analysis, due to its characteristics it is associated with the reduction of polluting emissions (mitigation of climate change), so the Funding directed to this project should be classified as mitigation.

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It is worth mentioning that in the event that any credit operation cannot be related to the aforementioned list of activities, financial entities may review the following guiding questions and thus define the scope of climate change impact to which the draft.

Figure 4. Guiding questions to classify climate finance by area of impact

Mitigation	Adaptation	Both impacts
 The action or the project limit or reduce emission of GHG? The action or the project protects, generates and / or improves sinks carbon? 	 Does the action or project reduces vulnerability of the country before some of the effects of the change climate for example exposure to phenomena extreme weather conditions? The action or the project increases resilience before the impacts negatives of change climate? The action or the project helps to identify risks and impacts related to climate variability? 	 Does the action or project reduces emissions of GHG and in turn decreases the vulnerability of human, natural systems and productive? Does the action or the project encourages financing for mitigation actions and / or adaptation? The action or the project increase training and research for the implementation of mitigation actions and / or adaptation?
	- The action or the project helps reduce vulnerability of strategic infrastructure, society and ecosystems?	- The action or the project strengthens the criteria, policies, indicators regulations for implementation and policy evaluation national climate?

Another way to reduce the degree of uncertainty regarding the information, categorization financing and subsequent reporting is to verify the purpose or objective of the projects and activities financed vities. That is, to know and review the objective of the activities and projects, in such a way so that it is possible to check whether the operation in question is focused on mitigating the emissions and / or reduce vulnerability to climate change. In case you have doubts about the purpose of the project or activity, the client or institution in charge of its execution and implementation, to corroborate the information on the impacts of the project on climate change.

Source: self made

The transaction registration system must allow the selection of one or more options related to the given to the impact area, and additionally it must allow to enter the percentage level (%) participation of each of the options:

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Scope of Impact Mitigation: YES / NO Participation percentage
Percentage: _____%

Adaptation: YES / NO	Percentage:%					
Both: YES / NO	Percentage:%					
VOTE: The degree of validation requested by SUGEF must be respected, which generally requires that when talking about percentages uts, the sum total of all options is 100%. (This 100% corresponds to the amount that was defined as climate financing, which does not necessarily correspond to 100% of the credit amount).						
or example, in the event that a credit operation is related only to mitigation, it should be t will register:						
Scope of Impact	Participation percentage					
Mitigation: YES	Percentage: 100%					
Adaptation: NO	Percentage: 0%					

Percentage: 0%

In the event that a credit operation finances 2 types of activities equally, one related to the reduction of polluting gas emissions (mitigation) and the other related to adapting tion to climate change, the following should be recorded:

Scope of Impact	Participation percentage
Mitigation: YES	Percentage: 50%
Adaptation: YES	Percentage: 50%
Both: NO	Percentage: 0%

Likewise, to avoid that a large part of the operations are registered under the option "Both", if If this option is marked as "YES", the system should display the list of all the activities that According to the guide they correspond to that category (which are the minority), so that the person who performs the registry select the one that corresponds and avoid an erroneous report.

Additional considerations:

Both: NO

Avoid double counting of financing: Credit operations for mitigation, adaptation or both impacts should not be reported more than once to avoid duplicating information on climate finance.

Exclusion cases: The classification criteria do not contemplate activities that could generate GHG emissions or have negative impacts on the environment. For For example, the financing of hydroelectric plants whose methane emissions are subperiores to GHG reduction.

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He passed Identify the amount of funding focused do to climate change

In order to guarantee the best practices in the classification and reporting of financlimate change, financial institutions must determine, as precisely as possible, the amount directed to the identified area, that is, to mitigation, adaptation or both impacts.

In that sense, to know the amount that is directed to climate change the financial entities should identify if the financing was directed in its entirety to the project related to bioclimatic, or only a percentage of the operation is related to these purposes. The amount must meet in colones.

To make this step easier to understand, we will return to the previous example:

Process

Granting of credit to transform a fleet of diesel-based buses to use natural gas as fuel and therefore generate fewer emissions.

Identify amount of financing focused on climate change

change related climate

If we consider that the credit operation is equivalent to 100,000 CRC and the total of the financing was directed to transform the bus fleet, so the amount of financing to be identified and reported later will be 100% of the operation.

Amount identified and scope of impact

100,000 CRC for mitigation.

However, sometimes the same credit operation can finance different activities within a project, which may or may not be related to climate change. In that sense It is a priority that, if possible, the resources that are effectively directed to me be identified. minimize the effects of climate change, as shown below 3.

Action	Process
Credit operation change related climate	Granting of credit, of which only 10% will be used to transform a fleet of diesel-based buses to use natural gas as fuel and therefore generate less emissions.
Identify amount of financing focused on climate change	If we consider that the credit operation is equivalent to 100,000 CRC, but only 10% of the total financing is directed to transforming the bus fleet, so the financing amount to be recorded and reported later will be 10% of the operation.
Amount identified and scope of impact	10,000 CRC for mitigation.

3 This recommendation is based on the methodology of the Multilateral Development Banks, which recommends report only the amount or% that corresponds to mitigation and / or adaptation if known.

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For the purposes of adequate monitoring, you should always try to determine, with the greatest possible precision, possible decision, the **exact amount** directed to the identified area, that is, mitigation, adaptation or both impacts. If this is not possible, the following guidelines 4 apply :

- For those cases in which it is determined that the operation is aimed at main objective to combat climate change (i.e. mitigation, adaptation or both), 100% of the amount must be reported to the "climate change amount" reporting field.
- For those cases in which it is determined that they contribute significantly to climate change - but it is not the main objective - the amount to be reported should be equivalent to 40% of the total project or activity financed.
- If it is established that the operation does not contribute significantly to climate change, 0 should be entered in the box corresponding to the amount for climate change.

He passed

Identify the funder, type of source and mode financing quality

An important part of the monitoring of climate finance that is channeled through the financial entities of Costa Rica is to identify and report the origin of the resources, which has to In turn, the objective of avoiding double counting of climate finance with that which It comes from international entities and that corresponding to the public sector.

In this sense, for those operations that have been related to climate change, it is necessary to It will also identify and report the following information:

Funder: Refers to the name of the institution, or entity, whether national or international, that grants the funding to the financial institution. For this, the list of categories that are

provided for this purpose in Annex 3 of this document, called "Funding Officer". This same This list will be part of the report forms prepared by SUGEF and the person in charge to carry out the report, you must select one of the preloaded options. The same with following categories.

Type of source: Refers to the type of funding, that is, if the financing corresponds to resources national public or private, or in the case of international funding, if it comes from entities multilateral or bilateral. You must choose between the following options:

⁴ The methodology used as a basis the criteria of the European Union to apply the methodology of the Rio markers, whereby, if it is an operation whose central objective is focused on mitigation and / or adaptation (classified under this methodology as "main"), 100% of the amount. In the case of operations or activities that are associated, or contribute to mitigation and / or adaptation (classified as "significant"), 40% of the total amount is noted. In case of operations that do not have no type of contribution is recorded 0.

twenty

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National Public:

- o National Funds
- o Resources from national public banks

National Private:

- o Resources from private banks, channeled to the SBD
- o Resources of national private financial entities

International Multilateral:

- o Multilateral Development Banks (MDBs)
- o Funds within the United Nations Framework Convention on Change Climate (UNFCCC)
- Entities outside the United Nations Framework Convention on Change Climate (UNFCCC)
- o Regional funds

Bilateral International:

- o North-South (from developed to developing countries)
- o South-South (cooperation between developing countries)

Modality: This category refers to whether the financing is Refundable, Non-Refundable. saber or Technical Assistance. Similarly, during the report, you must select between the options pre-loaded tions. It is important to mention that all credit operations correspond to reimbursable financing, since the credit or loan will be repaid by the client, in function of the term associated with the operation.

He passe 5 Register the information in SICVECA

This process responds to the new information requirements that SUGEF will send to all the financial entities it regulates (seven (7) additional reporting fields must be filled out, related to climate change as part of the process that is currently being carried out to register operations in SICVECA) and will be mandatory only for new operations from the date on which the new requirement enters into force (that is, six (6) months after being communicated).

As mentioned above, the report of the financial entities supervised by the SUGEF will be carried out following the same formats that are currently used as part of the operations registry in the SICVECA, so it will only be necessary to include the information additional of the seven (7) new reporting fields that will serve to know the financing climate in the country, channeled through the private sector and how it contributes to achieving tion of national climate commitments. It is worth mentioning that if it is determined that the credit operation is not related to climate change, the new reporting boxes must be marked with N / A (not applicable).

Going back to our example, the new report fields, which have previously been identified tified in the previous steps, they should be filled out as shown in the following table.

twenty-one

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It is pertinent to mention that this is only an indicative exercise since in the forms of the SUGEF most of the information will be loaded in advance and the reporter you will need to select one of the options provided.

Report Fields

Reported information

Granting of credit to transform a fleet of trucks based on diesel to use natural gas as fuel and therefore generate less emissions.

topic Transportation

Subtopic Public and private transport

Mitigation

Climate change area (mitigation, adaptation or Mi both of them)

Credit operation

Amount for change

nt for change climate 100,000 CRC

Fondeador International Finance Corporation (IFC)

Source type Multilateral Development Banks (MDBs)

Refundable Modality

Once the information has been registered in the SUGEF (SICVECA) system, it will be possible to know the total amount of climate finance assigned to operations that are related to with mitigation, adaptation, or both impacts of climate change, by topic and subtopic.

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its relationship with climate change Description of topics and subtopics and

The following table shows a summary of the sectors (topics) that most concontribute to the equivalent CO 2 emissions in Costa Rica, in accordance with the 2012 GHG inventory:

Table 2. CO 2 e emissions in Costa Rica by sector or topic

Costa Rica (GHG Inventory 2012)

Main Sectors or Topics	Emissions expressed in CO : equivalent (Gg)	%
A. Energy	7,213.83	64%
A.1 Transportation Subsector	4,827.51	43%
B. Waste	1,864.31	17%
C. Agriculture, Forestry and other land uses (AFOLU)	1,191.36	eleven%
D. Industrial processes	980.7	9%
TOTAL	11,250.2	100%

Source: Biennial Update Report 2015

Below is a detailed description of each of the topics and subtopics that are part of the reference list of related activities climate change for Costa Rica, which will be very useful to understand better the relationship of each of the sectors with the problem of the countryside bioclimatic, and thus be able to carry out a correct classification of operations to report them to SUGEF, and through it, to SINAMECC, in the framework of the use of this guide.

2.3

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TRANSPORTATION TOPIC

Its activities contribute around 14% of global CO emissions

How do you contribute to the change climate? GHG emissions from this sector 95% of the energy of transportation of In Costa Rica: Ground transportation provides 43% CO 2 e.

and

come mainly from fossil fuels burned for road, rail and aerial. world comes from of fuels derived from Petroleum.

> GHG: Greenhouse Gases CO 2 e: Carbon dioxide equivalent

Source: IPCC, United Environmental Protection Agency, Biennial Report of Costa Rica

The transportation sector has the potential to improve the quality of life of billions of people, their health and environment; in addition to having a crucial role in stabilizing climate change (Transport & Environment, 2019).

The population requires a seemingly infinite network of vehicles and transportation to sustain societies and economías. Cars, buses, freight trains, trucks and other means of transport cause impacts hear in the middle (WWF, 2017)

gans Relationship with climate change:

Around 23% of CO : emissions come from the transport sector (WWF, 2017). It is estimated that By 2030, passenger transport will exceed 80 billion passengers per kilometer, an increase 50% and freight transport will increase 70% globally. Therefore, the transport sector it is the fastest growing source of emissions (IEA, 2017).

Subtopics:

Improving the mobility of individuals across the country requires the design of a transportation system public, improve road infrastructure with high occupancy lanes, as well as optimize with monitoring and reporting of emissions.

Relationship with climate change: adored

ortoppublic status e the transport sector contributes 23% of global CO :emissions (IEA, 2017), the National Energy Plan of Costa Rica aims, through its axis 6 regarding sustainable public transport, tenable, promote actions that contribute to the reduction of emissions produced by the transport sector

transport through urban planning to reduce the need for population displacement.

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Looking for greater productivity and efficiency, it seeks to optimize the transport of raw materials and finished products from source to point of sale. That is why development is promoted of productive clusters, the use of freight rail systems, optimization of transport routes and the implementation of energy efficiency in the sector.

Relationship with climate change:

orte of leadh year freight transport consumes significant amounts of fuel oil for main transport. rhino or diesel for road and rail transport. The above produces GHG emissions and black carbon. ransp (Global Green Freight, 2019). It is estimated that this sector contributes approximately 3% of the global CO : emissions (Transport & Environment, 2019).

This subtopic seeks to implement policies to make the transportation scheme more robust without affecting the mobility of an individual. For example, it improves urban development by seeking compactness, as well as encourage non-motorized transportation and shared vehicle practices.

Relationship with climate change:

Because the transportation sector is the fastest growing source of emissions, and migration towards urban areas is the trend for the coming decades, it is vitally important to recognize that sustainable colliferation of particles produced by cars and other vehicles, including carbon

M black and nitrogen dioxide, contribute to a variety of diseases including medical conditions respiratory, strokes, heart attacks, dementia and diabetes.

The implementation of innovative technologies for the transport sector, such as vehicles with hydrogen-based operation, fuel cells, electric motors, etc.

guides Relationship with climate change:

With the replacement of the internal combustion process by innovative technologies that do not have sub-

TechnologiilsConsoducts, the emission of gases that cause climate change is decoupled from the transport sector. Eliminating that 23% of global emissions, for which this sector is responsible (IEA, 2017).

Since much of the transport sector uses fossil fuels for its engines, this subtopic tries to establish a quality standard for these, in addition to promoting the use of fuels alternatives such as natural gas or biofuels. *Relationship with climate change:*

Using current technologies, it has been shown that it is possible to improve the efficiency of a vehicle average by 50% by 2050 (GFEI, 2018). Activities such as quality seals, tax incentives **of fuels** limes, economic standards, import regulation and vehicle incorporation policies electricity companies have achieved energy savings of 1.4 EJ (x10 m) (GFEI, 2018).

Fossil fuels constitute 66% of total energy consumption in Costa Rica. The national plan **improvement** M quality of possil fuels, in addition to the possibility of quality of production and use of biofuels (MINAE, 2015)

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ENERGY TOPIC

Its activities contribute around 35% of global CO emissions

How do you contribute to the change climate? The activities in this sector that most contribute to climate change are the burning fossil fuels such as coal, natural gas and oil for the generation of electricity and heat. The generation of electricity and geothermal generates 3.7% CO $_2$ e.

In Costa Rica: The energy sector contributes with about the 64% of CO 2 emissions e. Most of these missions are linked to

and

GHG: Greenhouse Gases CO 2 eq: Carbon dioxide equivaler

Source: IPCC, United Environmental Protection Agency, Biennial Report of Costa Rica

The topic of energy includes activities related to the generation of electricity and heat through renewable and sustainable sources, that on the supply side, while, on the demand side, contemplate activities related to increasing energy efficiency in buildings, appliances, electrical equipment, industrial sector, etc. Other activities considered in this topic is the improvement of comfossil fuels for electricity generation.

Relationship with climate change:

The energy sector is one of the main responsible for GHG emissions in the world, attributed mainly to the burning of fossil fuels for the generation of electrical energy, as well as for the production, transformation and distribution of hydrocarbons. Worldwide, the sector contributes around Ener25% of total emissions (IPCC, 2014).

Currently, the production and use of energy represent two thirds of the emissions responsible for the climate change (OLADE, 2016). Given the dominance of fossil fuels as an energy source in In these cases, higher energy consumption necessarily increases CO : emissions (ECLAC, 2015).

In Costa Rica, the energy sector is responsible for 65% of the country's emissions. In this regard, to reduce emissions from the sector the Ministry of Environment and Energy (MINAE) has established in its energy plan 2015-2030, the aspiration of having a national electricity system with a low level of GHG emissions (MINAE, 2015). 26

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Subtopics:

They refer to the use of non-fossil sources (sunlight, wind, geothermal, biomass and biogas) for the production and distribution of energy in a sustainable way in all sectors

- This may include the use of conventional technologies for electricity generation, pumping,
- thermal applications from renewable sources. As well as the implementation of storage systems able
- energy management, distributed generation and the construction of smart grids.

Relationship with climate change:

Rapid adoption of renewable energy solutions combined with energy efficiency constitutes have a safe, reliable and affordable route, capable of achieving a reduction of more than 90% of the CO 2 emissions associated with energy, required to comply with national commitments to climate goals (IRENA, 2019).

Energy efficiency is the first push towards a sustainable global energy system (IEA, 2018). Activities such as early retirement and modernization of inefficient or high-power plants pollutants, reducing heat loss in utilities and / or increasing the recovery of residual heat; are part of energy efficiency strategies.

Relationship with climate change:

Energy efficiency principles can mitigate climate change, improve energy security, ca and contribute to economic growth while complying with economic and social benefits. cial (OLADE, 2016). It has been observed that the greatest energy efficiency savings are obtained in energy efficiency trial sector, followed by buildings and transport (IEA, 2018).

Its benefits include reducing GHG emissions and air pollution, increasing the purchasing power of the population due to lower energy expenditure, as well as energy security due to the reduction of imports and access to modern energy services (IEA, 2018).

The development of institutional arrangements, the expansion of technical regulations and standards, impleintroduction of economic and fiscal incentives, all of them focused on the development and implementation of renewable energies and energy efficiency.

With ample evidence that energy systems dominated by renewable sources can perform at high levels while supporting sustained economic growth. The transition to 100% Renewable energy has largely become a matter of political will (IRENA, 2019).

Relationship with climate change:

irrigation for tran

Although it is considered that conventional renewable energies have technologies that are sufficient fully mature and ready to be deployed (IRENA, 2019). It requires the implementation of

is a filting policies and incentives for widespread adoption. On the other hand, the research Continuous use of these technologies has shown an improvement in its efficiency and a decrease in its costs. production (OLADE, 2016).

glitics, In addition, it is important to consider that the reduction of emissions linked to energy is the focus of the energy transition processes (IRENA, 2019).

This subtopic is based on the regulation promoting the reduction of the use of fossil fuels or well the improvement in the quality of these. As well as the conversion of traditional technologies of generation to clean alternatives.

Relationship with climate change:

Using current technologies, it has been shown that it is possible to improve the efficiency of a vehicle average by 50% by 2050 (GFEI, 2018). Activities such as quality seals, tax incentives limes, economic standards, import regulation and vehicle incorporation policies fuel electricity companies have achieved energy savings of 1.4 EJ (x10 18) (GFEI, 2018).

Fossil fuels constitute 66% of total energy consumption in Costa Rica. The national plan nal energy has the objective of ensuring the high quality of fossil fuels, in addition to the possibility of improveniting of production and use of biofuels (MINAE, 2015).

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URBAN DEVELOPMENT TOPIC

and two

How do you contribute to the change climate?

Associated with this sector: The density of settlements, change of use of land, connectivity and accessibility.

Urban areas emit more GHG which zones rural.

In Costa Rica: The residential sector contributes 0.7% CO 2 and the treatment sewage treatment contributes 1.7%.

GHG: Greenhouse Gases CO 2 e: Carbon dioxide equivalent

Source: IPCC, United Environmental Protection Agency, Biennial Report of Costa Rica

The issue of urban development and land use planning includes actions such as improving the plaurbanization to reduce emissions from cities, as well as build infrastructure more resilient to inclement weather. In the same way, land use planning plans are considered torial, that is, improve the management of rural, urban and coastal territories.

Relationship with climate change:

territorial to accordance with UN-Habitat, cities consume 78% of global energy, producing about 60% of the total emissions. These emissions are mainly associated with the consumption of fossil fuels for power generation and transportation (UN, nd).

Currently, there is great inequality in the development of cities, mainly in the region Latin America, which can be interpreted as an additional challenge to face climate change. co. Therefore, urban planning and development policy discussions increasingly focus on the development of sustainable and resilient human settlements.

that facilitate the reduction of the consumption of fossil fuels for power generation **Urban add/dopmentation** indifishedecording to the IPCC, effective urban planning can help reduce between 20% and 50% of the polluting emissions associated with the transport sector (WRI, 2018). Thusitself, it is essential to optimize and help decarbonize existing infrastructure, such as roads, water and sanitation services, as well as improving land use.

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Subtopics:

This subtopic includes activities such as the development and implementation of planning policies urban planning for the Greater Metropolitan Area (GAM), as well as the development of land use planning plans ritorial in urban, rural and coastal areas that help to improve the management of the territory and therefore improve your resilience to the climate.

Relationship with climate change:

attic	As mentioned above, cities represent a major emitter of pollutants, In addition, the high concentration of population makes cities highly vulnerable to change climate.
	In Costa Rica, the area with the highest population concentration is the GAM. Although, it is not one of the area
	with greater vulnerability in the country, its structure and operation, as well as the way it moves
	the population within this region, make the dependence on fossil fuels undeniable and therefore
to and to	both with GHG emissions. In addition, it highlights the fact that almost half of this territory is destined erritoral development with consid to agricultural activities, which, as we saw previously, also carries great environmental implications
	entals. Despite the fact that the urban territory only represents 16% and the green coverage around 29%,
	the GAM problem is related to the territorial distribution of these uses, denoting the urgency
erati	ons of climate change to improve urban planning so that the gray patch advances and to order the territory taking
	considering climate change to protect biodiversity (Chaverri, 2014).
	In this context, strategic axis 10 of the Decarbonization Plan contemplates a management model
	of territory that helps maintain the country's forest cover, mainly by incorporating

climate from the construction and buildings sector (homes and buildings).

to basic Relationship with climate change:

It is possible to implement mitigation and adaptation measures to climate change in the conconstruction and buildings. The former focus on reducing emissions from the sector, for example, by through energy saving and the installation of renewable technologies in buildings, as well as the incorporation of poration of green roofs in homes. Some measures are the establishment of norms and standards minimum sustainable construction in cities or through building modernization processes cations.

For their part, adaptation strategies are aimed at reducing vulnerability to change climate of people, homes and buildings. For example, climate change greatly affects lower-income communities that are unstable and more vulnerable to flooding tions and landslides. Another example is the installation of infrastructure for collection and gray water treatment or ensure that new constructions have risk analysis sustain ahle constructiong and spatiation asures (IDB, 2019).

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INFRASTRUCTURE TOPIC

Its activities contribute around 6% of global CO emissions

How do you contribute to the change climate? Within the sector, the activities that most contribute to climate change co are emissions, the generation of energy and fuel burning. In Costa Rica: Cement production contributes 3% of CO 2 e.

and

Source: IPCC, United Environmental Protection Agency, Biennial Report of Costa Rica

The theme and subtopic of resilient infrastructure considers actions to reduce vulnerability climate of the industrial sector, as well as the integration of sustainable or green practices.

Relationship with climate change:

Changes in the perception and way of building the infrastructure represents an important area of opportunity to counter climate change.

The construction of new buildings, streets and roads that consider more friendly technologies with The environment is a challenge that cities and therefore governments must take up, not only to help them ment the resilience of the infrastructure, also to ensure the well-being of the population and reduce sector emissions.

Some of the climate actions that can be carried out in the sector are: construction of Infrastructus bild roads and improved infrastructure to protect coastal areas from tides and floods

dations. Incorporate green infrastructure criteria mainly in cities (rooftops and corridors). Infrastructure resilien green areas that help to have a balance between gray areas and natural spaces), standards

of green construction and analysis of vulnerability to the climate and monitoring of the specific infrastructure. existing strategy (World Bank, 2017).

For this reason, Axis 5 of the Decarbonization Plan considers that new commercial developments, residential Dential and institutional must be built under high efficiency standards, baseline processes, high emissions and climate resilient (MINAE, 2018).

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INDUSTRY TOPIC

Its activities contribute around 21% of global CO emissions

How do you contribute to the change climate? GHG emissions from this sector come mainly from burning of fossil fuels at the site of facilities for energy and emissions sions that come from the processes of chemical transformation and metallurgy gica.

and

GHG: Greenhouse Gases CO 2 e: Carbon dioxide equivalen

In Costa Rica:

CO 2 emissions e.

about 9% of

The sector contributes with

Source: IPCC, United Environmental Protection Agency, Biennial Report of Costa Rica

The topic of industry refers to all those processes that can be carried out in the industrial sector. al to counteract the impacts of climate change in this sector, for example, incorporating and improvement of technologies that help reduce emissions from the sector. Similarly, considers integral business design activities for its production, from its inputs to the disposition of its resources.

Relationship with climate change:

Speaking of the industrial sector, it is possible to identify a bidirectional relationship between this sector and the field. bio climatic. In other words, it is known that industrial activities have a significant negative effect on Regarding the natural resources available, however, the industry like other sectors is not immune to the effects of climate change. On the contrary, some sectors may be affected by falls in the availability of water and other raw materials for its production, due to climate change This circumstance has caused the industrial sector to be interested in knowing more about the impacts Industry of this global phenomenon and how to counteract it.

Industrial processes The main GHG emissions of the industrial sector come from the consumption of its energy consumption. \mathbf{p} co and industrial processing. To reduce its emissions, the industrial sector can implement energy efficiency measures during your processes and other actions such as efficiency improvements and recycling of your production materials. In addition, the incorporation of technologies Innovative ways to reduce emissions result in co-benefits for industries (IPCC, 2018). Agree with the IPCC, when it comes to making adjustments or modifications to its production methods one of the The most important challenges for the industry is the lack of available information, as well as the uncertainty associated with government policies and programs. However, in Costa Rica this is not the case. since one of the axes of the Decarbonization Plan seeks to modernize the industrial sector through application of sustainable and efficient electrical processes, as well as the incorporation of low technologies in emissions (MINAE, 2018).

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WASTE TOPIC

Its activities contribute around 3% of global CO emissions

How do you contribute to the change climate? Poor waste management prevents carbon dioxide is absorbed. The disposition waste represents 4.4% of Methane. In Costa Rica: The sector contributes with about 17% of CO 2 emissions e.

and

CO 2 e: Carbon dioxide equivalen

Source: IPCC, United Environmental Protection Agency, Biennial Report of Costa Rica

The topic of waste and the associated subtopic frames all those practices to improve the management of integrated resources of solid resources (from their collection, separation, reuse, recycling and final disposal), as well as to reduce polluting emissions from this sector. The waste sector involves waste generated from productive activities such as livestock, agriculture and industry. stria, but also urban and wastewater.

Relationship with climate change:

The waste sector is responsible for the emission of greenhouse gases such as carbon dioxide. carbon and methane. Mainly derived from the accumulation and degradation of organic waste. cos. While the sector's share of emissions is relatively small compared to other such as energy or transport, it is still an area of opportunity to contribute to the goals national zero emissions.

The activities in the waste sector that have the greatest influence on the generation of emissions are: the deposit of waste in open spaces, the burning of waste of fossil origin such as plastics, , rensward wastevenintegenergereading, agricultural sector waste such as

to manure and burning it.

Waste

However, before thinking about the elimination or disposition of resources, there are other alternatives to minimize the impact of this sector. Some actions are started from production, for example, at emmil@proate efficient inputs that help reduce the amount of waste that is generated during industrial and productive processes. Other options are the use of technologies to transform pro To and recycle waste or to improve its use, for example, using the gases generated

by waste for energy generation (ATEGRUS, 2010).

In this context, the Decarbonization Plan considers the development of of a comprehensive waste management system in Costa Rica. This system will promote the activities of separation, reuse, revaluation and final disposal of waste, to reduce emissions from the sector (MINAE, 2018).

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AGRICULTURE TOPIC

GHG: Greenhouse Gases CO 2 e: Carbon dioxide equivalent

Its activities contribute around 24% of global CO emissions

How do you contribute to the change climate? Within the sector, emissions are associated with deforestation, land use bio and burning forests.

In Costa Rica: The agricultural sector contributes approximate-11% of the CO 2 emissions e. Livestock in Costa Rica produces 10% emissions methane.

and

Source: IPCC, United Environmental Protection Agency, Biennial Report of Costa Rica

The agricultural sector is directly linked to food production and plays a very important role. important in the development and economic growth of countries due to its contribution to income of the rural and urban population, food security and poverty reduction.

Relationship with climate change:

The agricultural sector is one of the most affected by this phenomenon, given its high vulnerability to climatic variations. However, the increase in these activities, in turn, may aggravate the problem of climate change (ECLAC, 2015). For example, the expansion of the agricultural and livestock frontier is highly related to deforestation, forest burning and land use change. According to the Panel Intergovernmental Experts on Climate Change (IPCC) the agricultural sector, together with the forest season, contribute around 24% of global GHG emissions. In this sense, the sector

equatorial agreculture has great potential to contribute to the reduction of polluting gas emissions to the atmosphere, mainly methane (CH .) and carbon dioxide (CO :). In terms of adaptation the sector

grop agriculture requires immediate interventions that help increase the resilience of the sector, reduce vulnerability to the effects of climate change, as well as guaranteeing the food security of the population.

The Decarbonization Plan considers 2 axes to incorporate the vision of climate change in the agropecuario, and thus help reverse the growth of GHG emissions. Axis 8 focuses on the promotion highly efficient agri-food systems that generate export and consumption goods low in carbon and axis 9 on the consolidation of an eco-competitive livestock model based on efficiency and reduction of polluting emissions (MINAE, 2018). Both promote the incorporation of technologies advanced to have a sustainable, competitive and low emissions sector.

3.4

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Subtopics:

The agriculture subtopic refers to all the activities carried out for the production of agricultural products. agricultural coughs, such as vegetables, cereals, fruits, vegetables, grasses, textile fibers, etc.

In general, the activities that comprise the subsector are: cultivation, irrigation, harvest, treatment of soil, genetic manipulation of products, transportation of raw materials, protection of crops from diseases, among others.

Relationship with climate change:

In recent years, the intensity of agricultural activities has increased the negative impacts about the environment. Therefore, it is a priority to carry out actions that contribute to the mitigation of emissions sions, such as integration of improved crop varieties, inclusion of perennial crops, incorporation **D** biotechnology, modify tillage predictions use of predictions of the transmissions of the transmission of the tr

D biotechnology, modify tillage practices, use of organic fertilizers, efficient management of agricultural residues, efficient use of water resources for irrigation, reduction of change in the use of soil, etc.

In terms of adaptation, it is necessary to incorporate better cultivation practices, promote research on genetic improvement and food banks that help guarantee the food security of the poblation. As well as carry out actions that involve communities and promote education, outreach of information and awareness on the risks of the subsector in the face of climate change (ECLAC, 2017).

Livestock consists of the activities of management and exploitation of domesticable animals for sale and subsequent consumption. In recent decades, population growth has resulted in an increase in

the demand for livestock products. According to FAO, it is expected that in 2050 world demand will be increase by 70% (FAO, 2019).

Relationship with climate change:

However, the growth of this sector is directly associated with deforestation, due to the considerable amount of land required for its production. According to the United Nations Organization for Food and Agriculture (FAO), in Latin America almost all deforested land becomes **G** in pastures for cattle mining (FAO) 2000. The section of the section of

in pastures for cattle raising (FAO, 2008). The region's GHG emissions have increased, being the largest emitters: enteric fermentation or gas production as a result of the digestive process livestock, manure deposited on pastures and applied to soils (FAO, 2014).

Among the mitigation measures that can be carried out in livestock farming, the incorporation of practices sustainable cass, such as changes in livestock diets to reduce enteric fermentation, introduce the use of of biodigesters for the use of gases, among others (IPCC, 2018).

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ENVIRONMENT TOPIC

The use of biodiversity and ecosystem services can be part of an adaptation strategy to the effects adverse effects of climate change.

What ecosystem management can be do to build resilience and decrease vulnerability to CC?

1. Integrated management of water resources

2. Restoration of coastal habitats

3. Establishment of agricultural systems

5. Establishment of agricultural systems

various aquariums.

4. Effective management of area systems

Profits:

- 1. Risk reduction
- 2. Maintenance of livelihoods
- 3. Food safety
- 4. Conservation of biodiversity
- 5. Carbon sequestration
- 6. Good management
- of the water resource

Services provided by the natural environment make human life possible, for example by providing nutritious food and clean water; by regulating disease and climate; by supporting the pollination of crops tives and soil formation, and by offering recreational, cultural and spiritual benefits (FAO, 2019).

Therefore, it is vitally important to establish practices and policies that guarantee the provision of seressential ecosystem vices, as they are the foundations of all agricultural, forestry and even tourist

Relationship with climate change:

Net emissions from land use change, vegetation and soil degradation are responsible for the 10% of total carbon emissions (CBD, 2016). well

tea

If the problem of loss of ecosystem coverage and quality is not addressed, the negative effects edio tive can be the loss of direct services (water, carboh sequestration, biodiversity); decrease of ^M income for the forestry sector as a consequence of forest fires, deforestation or illegal extraction, loss of pollinators, agro-biodiversity; as well as lower agricultural and fish productivity; repercussions in the tourism sector; in addition to a loss of services with the ability to buffer conditions extreme, resulting in increased erosion and landslides (MINAE, 2015).

In addition to the consequences of not keeping ecosystems healthy, it is widely recognized that Ecosystems can be a key to climate change mitigation efforts and adaptation to their consequences. Terrestrial and coastal ecosystems are estimated to have five times more carbon in biomasa and soil organic matter than what is currently contained in the atmosphere.

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Subtopics:

It refers to the actions that allow the consolidation of the existing natural infrastructure, under the principles of conservation, restoration, monitoring and valuation of environmental services.

Relationship with climate change:

Organisms live in particular environmental conditions that, if significantly modified, prevent

cosystems They felt change in the average temperature of the land surface and oceans, in the patterns of precipitation and a rise in sea level, the stability of most of the ecosystems and the life that they harbor is is at risk (ECLAC, 2015).

ersity and Etional Biodiversity Strategy 2016-2025 raises seven strategic issues: In Situ conservation ,

div restore and reduce the loss of ecosystems, regularization of the state's natural heritage, management Bio territorial and marine; inclusive sustainable landscapes, governance and education for biodiversity, management of

information, monitoring and research, and capacities, financial resources and institutional arrangements for the biodiversity (MINAE, 2015).

Forest management is the process of planning and executing practices for the management and use of forests. and other wooded lands with a view to fulfilling environmental, economic, social and cultural and / or cultural factors (FAO, 2010). With the subtopic of Forest Management, it aims to protect the national forest areas, with actions such as the regulation of land tenure and carbon rights, as well as a certification system for deforestation-free products.

Relationship with climate change:

orestal By being sustainably managed, forests can play a key role in mitigation and adaptation to climate change (FAO, 2010).

Anneth Fough the increase of forests, trees and the increase of forest deposits, capture of M CO : from the air. These forest carbon stocks can be conserved with a reduction in deforestation and forest degradation (FAO, 2010).

In terms of adaptation, forest biodiversity management, fire management systems and planning The use of land use strengthens forest-dependent communities, as well as the fauna that is part of them (FAO, 2010).

The integrated management of water resources is a process that allows greater institutional capacity in the sectors responsible for developing actions that increase the resilience of the population (GWP, 2016). Sustainable growth requires adequate management of water resources, which can guarantee the quality of life of the population and the ecosystem. That is why the strengthening of the infrastructure, the preparation of management plans and the improvement of techniques and processes that make use of water are necessary infractions.

ensure its quality for future generations.

Relationship with climate change:

Resources in rainfall and temperature patterns are the main impact on the availability of

water resources (GWP, 2016). There is medium confidence that follow-ups will intensify in the 21st century in Central America (GWP, 2016). Similarly, extreme precipitation events may be more frequent. tees and of ereater intensity, thus producing both drought and flood scenarios.

In order to guarantee access to acceptable hygiene conditions, water sanitation seeks the increase in its coverage and sustainability in the sanitary and storm sewer systems.

Relationship with climate change: to of

In areas of inadequate sanitation, extensive and long-lasting pollution of the environment guidester resources, soils, water resources and water sources considerably increases the risks to health (GWP, 2018).

The risks posed by climate change are the scarce availability of water, when it is used to transport and dilute waste, and damage caused by floods (GWP, 2018). 37

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HEALTH TOPIC

It is expected that between 2030 and 2050 the change bioclimatic will cause 250 thousand deaths additional each year for diseases associated with malnutrition, malaria, diarrhea. Damage to health is associated with: **Extreme temperatures:** affects people with diseases respiratory and cardiovascular. **Natural disasters:** each year they cause more than 60 thousand deaths. **Variation of rainfall:** It also puts the production of staple foods, causing malnutrition. **Distribution of infections:** prolongation of disease seasons transmitted by vectors and alteration of their geographical distribution

The health issue refers to all those activities that can be carried out in the health sector to improve the conditions of the population in the face of a climate variability scenario, from adapting the services health to the demographic and cultural needs of groups in vulnerable situations, promote practices preventive measures to stop contagious or epidemiological diseases, until the population is sensitized about disease control.

Relationship with climate change:

Stal Climate change can have strong implications on the health of the population, mainly associated with give to malnutrition and diseases such as malaria and diarrhea. Additionally, extreme temperatures (heat waves) contribute as deaths in children and the elderly, caused by illnesses Cardiovascular and respiratory diseases as high temperatures aggravate pollution levels. Another cause that increases health damage associated with climate change is the number increasing and greater intensity of meteorological phenomena that occur mainly in coastal areas teras. This situation not only forces people to move, it also increases the risk of contracting infectious diseases (WHO, 2018).

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Subtopics:

This subtopic refers to all those activities carried out to reduce the risk and spread

tion of infectious diseases associated with climate change.

Relationship with climate change:

troll of According to the World Health Organization (WHO), climatic conditions are highly associated with the transmission of diseases transmitted by water or insects, such as cholera, malaria, ism or dengue

with the weather Due to its geographical location, Costa Rica is highly vulnerable to dengue cases, only in August attention and201th, 1,646 cases were registered, while for August of this year 3,960 were recorded.

cases in the country. This situation makes the implementation of health measures a priority. related taisa. (Ministry of Health, 2019).

The subtopic of efficient construction in the health sector refers to activities to adapt the services vices of health to the social, demographic and cultural needs of the population, especially of those who are in vulnerable conditions.

Relationship with climate change:

Studies confirm that making adaptations in the infrastructure of the health sector helps to cope to the health consequences that climate change could cause. Therefore, this institution suggests you in the water manage resources and improve the care and delivery of health services to the entire population (Lizet Helena Veliz Rojas, 2013).

In this sense, it is a priority to make adjustments to both public policy and infrastructure to national and subnational level, in such a way that the demand for services is efficiently satisfied.

Similarly, it is important to implement mitigation and adaptation strategies to climate change. efficientrym this sector, such as building climate-resilient infrastructure that meets standards energy efficiency to reduce electricity consumption in buildings such as hospitals and clinics.

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TOURISM TOPIC

Its activities contribute around 8% of global CO emissions

How do you contribute to the change climate?

The activities that contribute the most to climate change are transport, the elaboration of food and drinks. infrastructure maintenance. Being aviation

This sector is one of the most vulnerable likely to change climate.

In Costa Rica: Cahuita national park lost 20 meters of beach in 15 years.

and

practice with greater	
input.	
	CO : eq: Carbon dioxide equivalent
Source: El Mundo, Latinclima	
The tourism theme and resilie	nt tourism sub-theme considers all those activities that help to
improve the sector's resilience	e to extreme weather events, not only in terms of infrastructure
It is also about the protection	of visitors.
Relationship with climate ch	ange:
Due to its characteristics, the	tourism sector is one of the most vulnerable to climatic variability.
cases, therefore significant ad	aptation efforts are required to minimize the negative impacts
of climate change in the secto	r and its potential effects on the level of employment and the
economy, especially in countr	ies that depend on the sector.
In terms of mitigation, actions	s can also be taken to reduce emissions from the sector,
mainly associated with the ele	ectricity consumption of hotel complexes, derived from the services of
air conditioning and heating,	food refrigeration, as well as swimming pool heating (Mu-
rillo, 2017). In this sense, it is	essential that within the sector emissions are calculated, in order to be able to
implement reduction or comp	ensation measures. Some emission reduction measures are
urism the replacement of energy-int	ensive equipment with more efficient ones, as well as the use of
lization of construction mater	ials that are more sustainable and that make better use of spaces
resilie for the forestation and de	struction of protected areas or buildings that meet
with high efficiency and low	emission standards.
However, one of the most imp	portant challenges is that of adapting the sector. The IPCC has predicted that
Climate change will modify c	limatic conditions, for example, rains will intensify,
droughts will be longer and the	e number of meteorological phenomena that
hit coastal regions increase. T	he main effects include: damage to infrastructure
hotel management, loss of bio	diversity, degradation of the landscape and other tourist attractions and propa-
gation of diseases. In this con	text, the urgency of identifying the potential
risks associated with climate of For example, through the con-	change, as well as implementing measures to minimize damage, for

the climate, as well as the incorporation of sustainable activities that are compatible with the environment natural and biodiversity protection.

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RISK MANAGEMENT AND DISASTER CARE TOPIC

Throughout the world the frequency of natural disasters associated with climate - floods, droughts, hurricanes-, have increased in frequency as well as in severity

CC can increase risks of droughts, the intensity of the storms, and the floods that turn increase vulnerability social, environmental and economical.

The most people vulnerable usually live in high-risk areas and are less resilient to adverse effects because they do not have sources financial

Key code:

institutional capacity and financial support from governments to prevent and attend.

Source: 17th Annual Report, IDB.

This topic includes all those activities that, when carried out, help reduce risks and improve prevention against the occurrence of natural disasters related to climate change.

Relationship with climate change:

As mentioned, there is a link between climate change and the intensity and frequency of extreme climatic phenomena, and therefore the occurrence of natural disasters, giving as result ecosystems and vulnerable communities.

- The social, environmental and economic factors of the population determine the level of risk of being affected by natural disasters. For example, low-income people have higher risks because they tend to live in high-risk areas and have little ability to recover afterwards of a disaster. According to the IDB, in Latin America the countries that face a higher level of risk are those that have a coastline in the Caribbean Sea and Pacific Ocean, while other economies landlocked or with coasts in the Atlantic Ocean have a lower level of vulnerability. In that sense, countries such as Nicaragua, Costa Rica, Cuca and Honduras present high levels of disaster risk natural (IDB, 2014).
- risk maflægredued countries' risks of disasters, it is important to act preventively and also G well once the event has occurred, provide immediate attention and response in such a way that both material damage and, more importantly, negative impacts on the environment can be minimized. welfare of the population.

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Subtopics:

The risk prevention subtopic refers to the activities carried out as a prevention mechanism and preparedness for a natural disaster.

Relationship with climate change: linked to

In terms of risk prevention, although there has been progress in the region, there are still significant challenges attig that countries must face, for example, knowing and measuring the level of risk and adopting measures preparation that involve society.

For some agencies such as the IDB, the most important actions to reduce disaster risks they should focus on prevention, as they represent less costly actions with great benefits. cliq1878.chal42cSome of the prevention actions that can be implemented are: consolidate

risk identification

re building capacities mainly in highly vulnerable regions and promoting the incidence of

actors, for example from the private and financial sector, in risk prevention and management.

The risk management subtopic includes the actions carried out during and after the occurrence of the risk. event, to give an immediate response and support in the rehabilitation of both the infrastructure and the **atthe**rmed communities.

linked to

Relationship with climate change:

The number of disasters related to climate change has doubled in the last 10 years. TO At the regional level, greater preparedness to respond to disasters is perceived, mainly improvements to level of construction and response during emergencies. However, there are still areas of opportunity important, for example, generation of knowledge about risks and adaptability to change climate and the establishment of permanent support through redits and guarantees for vulnerable areas,

riskclina agelare the drasions of support mechanisms and insurance associated with risks of natural disasters.

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The cross-cutting theme considers all those actions that do not belong to a specific sector, but that its implementation favors the fight against ersal climate change Most of the activities focus on the implementation of plans and programs to strengthen research, dissemination of information, creation Transv of capacities and mobilization of financing, among others. Subtopics: This subtopic covers activities that facilitate the development of sustainable production practices to protect biodiversity and secure livelihoods tion of In this sense, this subtopic considers activities such as the rescue of ancestral practices, as well as the implementation of sustainable criteria and modification of fishing production to make them protective and model in the implementation of sustainable criteria and modification of fishing production to make them more compatible with the environment, such as review of closed periods, monitoring of variables promo oceanographic and fisheries and establishment of marine reserves, among others. This subtopic is focused on the planning and creation of institutional governance, that is, links the and alliances between strategic actors involved in climate change issues, which allow improve inter-institutional coordination and therefore the implementation of programs for mitigation and adaptation of climate change ernanza For this, actions such as implementing institutional arrangements focused on change are contemplated gob Planning and in public policy decisions, design and implementation of environmental management programs institutional, among others As its name indicates, this subtopic seeks to promote research, education, and strengthening capacity of relevant actors, in matters of climate change As climate change is a phenomenon with strong implications for the future, it is constantly It requires strengthening the technical and scientific basis for decision-making and execution of actions. On In this sense, research is a relevant factor to know the current and future impacts of the or notimate change. to capacity carbSimilarly, it is essential to promote the dissemination of information on climate change and promote education and capacity-building actions that facilitate actors, especially those who research, education and for development emissions. For this reason, it is vital to carry out awareness-raising actions in the public sector, In strengthening climate change. This subtopic refers to all those actions that promote the mobilization of financing focused on climate change actions and projects. to and Some examples are the design and adoption of innovative mechanisms that facilitate investment in tas of low-carbon and climate-resilient projects, such as green investment incentives, carbon credits, no, carbon taxes, emissions trading systems, etc. market inauciamien Another way to facilitate or encourage the redirection of resources is by creating conditions for the development of sustainable markets, for example, for trade in products agricultural, such as environmental certification schemes. Finally, this subtopic focuses on providing greater transparency both of the actions carried out carried out to counteract climate change, such as the financing allocated to them. In this sense, this subtopic promotes the implementation of monitoring, reporting and verarch of M ification of GHG emissions, as well as financing granted by public sources and private, national and international. transparency

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Glossary

то

Paris Agreement: Binding document signed by 195 countries of the Convention United Nations Framework on Climate Change (UNFCCC) and ratified by 185, including Costa Rica, to strengthen the global response to the threat of climate change. The main objective of the Paris Agreement is to maintain the increase in temperature of the planet below 2 degrees Celsius, with respect to preinindustrial, and if possible below 1.5 degrees (UNFCCC, 2018).

Adaptation: Set of actions and public or private interventions in the face of the impacts likely consequences of climate change, tending to reduce vulnerability conditions that allow moderate damage and avoid losses, taking advantage of opportunities to enhance the resilience of economic, social and environmental systems, at national, regional and local level in a measurable way, verifiable and reportable (MINAE, 2018). Some examples may be monitoring conditions climatic conditions, carry out evaluations of social, environmental and infrastructure risks in the event of less extreme meteorological conditions, carry out actions to conserve forest resources make adjustments in agricultural activities such as crop improvement to make them more resistant, among others.

B

Green bonds: They are debt securities that are issued to generate capital specifically for support green or climate change related projects. For example, projects related to related to the energy sector, transport, waste management, control of polluted emissions nantes, etc. (CBI, 2018).

С

Climate change: Changes in the climate directly or indirectly attributed to human activity na, which alter the global composition of the atmosphere in addition to climatic variations observed during comparable periods of time (UNFCCC, 2018).

Climate: Climate is essentially the statistical distribution of the meteorological variables that occur in a region over a period of time, typically 30 years of observational data. nales (IMN, 2017)

Nationally Determined Contributions (NDC): The

Paris requires the intervention of all countries to achieve its goals. In that sense, NDC can be interpreted as the heart of the Agreement since they present the efforts and voluntary pledges that each country will make to reduce emissions and increase adaptation to the impacts of climate change (UNFCCC, 2018).

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AND

Extreme events: An extreme meteorological event is an "abnormal" event, from a place in particular and time of year. It can be considered when it is above the 90th percentile or below the 10th percentile of the observed probability function.

F

Green finance: While there is no universally accepted definition of what is green financing, this is understood as the financial investment that is directed to projects sustainable development initiatives and products, environmental products and policies that promote a development of the more sustainable economy (German Development Institute, 2014). In short, the Green financing comprises three types of financing:

- Financing of public and private investments, that is, all directed financing to green or sustainable projects from the public and private sectors.
- Financing public policies to promote sustainable initiatives, for example, the financing of policies for the protection and conservation of natural reserves.
- Components of the financing system focused on green projects, for example, the Green Climate Fund (GCF), the Global Environment Facility gave Environment (GEF).

Climate finance: Refers to local, national and transnational financing from from public and private sources that seeks to support mitigation and adaptation actions to combat climate change (UNFCCC, 2018). In that sense, climate finance is only one aspect of green financing, as can be seen in the following figure.

Figure 5. Green finance and climate change



Source: Own elaboration, based on (German Development Institute, 2014)

Four. Five

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G

Greenhouse Gases (GHG): Gases that are found in the atmosphere either in a natural or due to human activities, which have the property of absorbing infrared radiation (heat) emitted from the Earth and radiating it back to the surface. That is, the gases trap the heat from the Earth creating a greenhouse-like effect that warms the planet. The GHGs that Their greatest presence in the atmosphere are carbon dioxide (CO ²), methane (CH ⁴) and nitrous oxide (N ² O), but there are also others such as ozone (O ³), and chlorofluorocarbons (CFCs) and hexa-sulfur fluoride (SF ⁶) (UNFCCC, 2018).

М

Mitigation: In the context of climate change, mitigation is considered to be human intervention mana to reduce sources or improve sinks of greenhouse gases. Some Examples are the efficient use of fossil fuels for industrial or general processes. electricity generation, transition to renewable energies such as solar and wind energy, improve insulation of buildings and expanding the forest mass, among others (UNFCCC, 2018).

Р

Intergovernmental Panel on Climate Change (IPCC, for its acronym in English): Organization created in 1988 by the World Meteorological Organization (WMO, by its acronym in English) and the United Nations Environment Program (UNEP), with the aim of providing scientific information to the different governments on the situation of the global climate change and that they can develop public policies from a robust scientific (IPCC, 2013). The IPCC publishes reports that in addition to informing governments,

They are also a key element for international climate change negotiations, such as This is the case of one of his last published reports, in which he speaks of the need to increase the ambition to reduce emissions to maintain the temperature of the planet by below 1.5 degrees centigrade.

Costa Rica Decarbonization Plan 2018-2050: Strategic public policy document that presents a roadmap, with specific actions to carry out the process of decarbonization of the Costa Rican economy. The Decarbonization Plan presents the goals and short, medium and long-term actions for each of the sectors of the economy, divided in 10 strategic axes: sustainable and efficient mobility system; fleet transformation zero emissions vehicular; face transportation with lower emissions; national electrical system efficient and competitive nal based on renewable energies; buildings with high standards of energy efficiency and low emission processes; modernization of the industrial sector to technolow emission logies; integrated waste management; efficient agri-food systems and sustainable; competitive livestock sector with reduced emissions; and territory management rural, urban and coastal areas to facilitate the protection of biodiversity (Government of Costa Rica, 2018).

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R

Resilience: The ability of a system, community or society exposed to some type of damage or threat to resist, absorb, adapt, transform and recover from the effects caused by two for the damage or threat in a timely and efficient manner, including preservation and restoration of their essential basic structures and operations, through risk management (UNDRR, 2017).

Financial risks associated with climate change: Physical and transition risks faced by so financial institutions caused or related to climate change, for example, damage to investments derived from extreme weather events or the contraction of the value of goods and investments in carbon intensive sectors (NGFS, 2019).

Physical risks or impacts: Refers to economic costs and associated financial losses with the increase in the severity and frequency of extreme weather events (heat waves, floods, fires, among others), as well as progressive long-term changes, such as bios in precipitation, acidification of the oceans, increase in the level of evil and average perature (NGFS, 2019).

Risks or impacts transition: Refers to the adjustment process to a low economy carbon. The emission reduction process can have significant impacts on the economy. nomia and therefore affecting financial assets. Although the transition is urgent, changes Abrupt changes in this transition can affect financial and economic stability (NGFS, 2019). An example of this may be investing in carbon-intensive technologies that will be fast-paced. substituted by sustainable and low-emission technologies, preventing them from recovering initial investment costs.

V

Climate Variability: Climate variability is a measure of the range in which the elements Climatic conditions, such as temperature or rainfall, vary from year to year.

Vulnerability: Conditions determined by physical, social, economic factors or processes and environmental, which increase the susceptibility of an individual, community, infrastructure ture or systems to the impacts caused by climate threats (UNDRR, 2017).

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Annex 1. List of revised methodologies for the elaboration of the guide

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IFC. 2017. IFC's definitions and metrics for climate related activities. Available at: https:// www.ifc.org/wps/wcm/connect/8ebdc507-a9f1-4b00-9468-7b4465806ecd/IFC+Climate+Definitions + v3.1 + .pdf? MOD = AJPERES & CVID = IQuLLhw

International Development Finance Club (IDFC). 2018. IDFC Green Finance Mapping Report 2018.Available at: https://www.idfc.org/wp-content/uploads/2018/12/idfc-green-finance-mapping-2017.pdf

OECD. (2013). Desertification: OECD DAC External Development Finance Statistics. Available at: http://www.oecd.org/dac/financing-sustainable-development/development-finance-top-ics / desertification.htm

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Annex 2. Updated list of topics, subtopics and activities

Correspondence with the Decarbonization Plan:

- Axis 1: Development of a mobility system based on safe, efficient public transport and renewable, and in active and shared mobility schemes
- (2) Axis 2 Transformation of the fleet of light vehicles to zero emissions, fueled by energy renewable, not of fossil origin
- (3) Axis 3 Promotion of freight transport that adopts modalities, technologies and sources of energy to achieve zero or lowest emissions possible
- (4) Axis 4 Consolidation of the national electricity system with capacity, flexibility, intelligence, and resilience necessary to supply and manage renewable energy at a competitive cost
- (5) Axis 5 Development of buildings for various uses (commercial, residential, institutional) low standards of high efficiency and low emission processes.
- (6) Axis 6 Modernization of the industrial sector through the application of processes and technologies electric, efficient and sustainable with low and zero emissions.
- (7) Axis 7 Development of an integrated waste management system based on separation, reuse, revaluation, and final disposal of maximum science and low emissions of gasgreenhouse effect sessions.
- (8) Axis 8 Promotion of highly efficient agri-food systems that generate goods of low carbon export and local consumption.
- (9) Axis 9 Consolidation of an eco-competitive livestock model based on scientific proproduction and reduction of greenhouse gases.
- (10) Axis 10 Consolidation of a management model for rural, urban and coastal territories that facilitates the protection of biodiversity, the increase and maintenance of the Forest ture and ecosystem services from nature-based solutions.

(11) All axles.

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Table 3. Updated list of topics, subtopics and activities

		ACTIVITIES	CLIMATE C	CLIMATE CHANGE AREA		
TOPICS	SUBTEMES		MITIGATION	ADAPTATION	BOTH OF THEM	
		Design and implement strategies or actions to build tuir an Integrated Public Transport System (1).	x			
		Establish exclusive lanes for transport vehicles public bus mode (1).	x			
		Improve the quality and efficiency of public transport (1)	v			

Transport

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x

x

x

	Design and implement public transport systems massive (1).	x	
	Design and implement strategies that promote intermodality in transport (1).	x	
	Design and implement demand control measures of private transport (1).	x	
Transport public and	Design and implement incentive schemes to encourage the use of public transport and non-mobility motorized (1).	x	
private	Renew the bus fleet for more efficient vehicles and promotion of the decrease in their number (1).	x	
	Design and implement transmission monitoring systems bearing, such as MRV systems (1) (2) (3)	x	
	Promote environmental vehicle verification programs (vehicle review and emission limit review) (7)	x	
	Promote scrap and disintegration programs vehicular (7).	x	
	Optimize the use of taxis (Geographical distribution of taxis, parking bays) (1).	x	
	Build road infrastructure low in GHG emissions and resilient to the impacts of climate change (1).		
	Optimize conventional and conversion technologies reciprocating engines in the transport sector (1) (2).	x	
	Design and optimization of logistics systems and actions urban cargo (3).	x	
Transport	Design and implement mass mobilization systems that make its management more efficient, such as example freight trains (3).	x	
load	Implement practices that improve energy efficiency ca in cargo transportation (3).	x	
	Carry out technological improvements in cargo transportation, for For example, electric charging vehicles (1).	x	
	Design and implement sustainable mobility plans that consider the adverse effects of climate change (1).		
	Design and build infrastructure to promote the non-motorized mobility (mobilization by bicycle and nando) (1).	x	
Mobility sustainable	Design and establish regulations, policies and schemes incentives that promote non-motorized mobility (1).	x	
	Urban improvement interventions to boost capacity of cities (2).		
	Design and implement transportation infrastructure with climate change adaptation considerations (1).		x

fifty

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		ACTIVITIES	CLIMATE CHANGE AREA		
TOPICS	SUBTEMES		MITIGATION	ADAPTATION	BOTH OF THEM
		Design and implement strategies to promote the movement electrical power (1).	x		
		Develop charging infrastructure and others that generate enabling conditions for electric mobility (1).	x		
	Electrification of transport	Design and implementation of electrification pilots for fleets, especially associated with public transport (1).	x		
	of transport	Electrification of private and used vehicle fleets for public transport (1).	x		
Transport		Design and implementation of massive transmission systems electric public carriage, such as electric train (1).	x		
	Technologies zero emissions	Design and implement strategies to encourage the use hydrogen or other zero emission technologies in the transport sector (1).	x		
		Strengthen regulations and legislation on quality of fuels, so as to reduce emissions generated by its combustion (2).	x		
	Improvement Fuel bles	Evaluate the use of alternative fuels for the sector transportation (2).	x		
		Design and implement strategies that promote the use of fuels produced under social conditions and comprehensive environmental (2).	x		
		Use non-conventional renewable energies (solar, wind, geothermal, biomass, biogas and marine) to generate	x		

Energy

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ration of electricity, heating, pumping, or others). (4) (5) (6)

	Solar water heating and other thermal applications of solar energy in all sectors. (4) (5) (6)	x
	Thermal applications of bioenergy produced in a sustainable in all sectors (4) (5) (6)	x
Energy renewable	Implement storage systems (battery, storage mechanical, pumping) that facilitate the inte- gration or production of renewable energies. (4) (5) (6)	x
	Build, maintain and optimize transmission systems and distribution for the use of renewable sources of energy. (4) (5) (6)	x
	Build smart grids or mini network (smart grid / mini grid). (4) (5) (6)	x
	Install distributed generation systems with sources renewable (4) (5) (6)	x
	Use technology that promotes energy efficiency in industrial processes. (6)	x
	Optimize and increase the use of efficient technologies clients in public, industrial buildings, existing commercial, residential (5) (6).	x
Efficiency energetic	Use technology that promotes energy efficiency in new commercial, public, industrial buildings or residential (5) (6)	x
	Improve energy efficiency in public lighting, remote management and other public services (4).	x

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			HANGE AREA	A	
TOPICS	SUBTEMES	ACTIVITIES	MITIGATION	ADAPTATION	BOTH OF THEM
		Design Energy Management Systems (EnMS), principally Palmente for high power users. (4) (5) (6)	x		
		Promote energy efficiency or the use of low emissions in generation, transmission and distribution tion of electrical energy (4).	x		
	Efficiency energetic	Reduced heat loss in utilities and / or increased recovery of residual heat (4).	x		
		Early retirement and modernization of plants inefficient or highly polluting electricity sources (4).	х		
Energy		Promote the energy efficiency of vchicles and re- trofit. (for example: modernization of the vchicle fleet, strengthening of regulations for importing vchicles used and new) (2).	x		
		Develop institutional arrangements that allow fostering tar and implement renewable energy projects and energy efficiency (11).	x		
	Policies, laws and research for the transition energetic	Support and promote technological research and development co and human capital in renewable sources or efficiency energetic (11).	x		
		Issue technical regulations and related regulations two with renewable energy and energy efficiency (11).	x		
		Energy audits of energy end users, including industries, buildings and transportation systems (11).	x		
		Promote economic and fiscal incentives for the use of renewable energy and energy efficiency (eleven).	x		
		Implement standards for quality improvement from fossil fuels (4).	x		
	Improvement and replacement from	Conversion of existing power plant based on fossil fuels to clean fuels and technologies (4).	x		
	Tuers	Reduce the use of fossil fuels for generation electrical (4).	x		
		Design and implement urban development plans with rural development approach low in GHG emissions and climate resilient (10).			x
		Facilitate the implementation of proposals, plans and policies urban planning cases in the GAM (10).			x
		Integrate criteria for mitigation and adaptation of change climate in territorial planning, ordering territorial and sectoral and national policy (10).			x

https://translate.googleusercontent.com/translate_f

x

х

Developing Urban and Ordenial Territorial Planning, ordering and developme territorial with Consideration change purposes climate

and development Implement land use plans in all territorial with the coastal cantons that contemplate climate change Consideration (10). hange purposes climate Include criteria and guidelines for adaptation to change

climate in sectoral planning instruments, regional and territorial, marine and coastal planning different scales (10).

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			CLIMATE CHANGE AREA		
TOPICS	SUBTEMES	ACTIVITIES	MITIGATION	ADAPTATION	BOTH OF THEM
		Manage rural, urban and coastal territories to facilitate the protection of biodiversity, the increase and maintenance of forest cover and eco- systemic from nature-based solutions (10).		x	
		Formulate and implement mitigation and / or adaptation plans			x
	Planning, ordering	tion in the territories (10).			
	and development	Build infrastructure and develop new systems			x
	Consideration change purposes climate	climate (5) (6) (8) (9).			A
		Incorporate comprehensive risk management in planning and development programming and land use planning (10).		x	
		Reduce changes in land use that generate pressure and loss on ecosystems (10).			x
		Design and implementation of strategies associated with Transportation Oriented Development (TOD) (1).	x		
		Execute city densification programs (1) (10).	х		
		Plan urban areas low in GHG emissions and residential lients to the weather (10).			x
		Design and implement strategies that promote true urban zones (10).			x
Developing Urban and Ordering to Territorial		Incorporate criteria, norms and construction standards sustainable (lighting, air conditioning and heating) ment) for new constructions and for renovation of existing infrastructure (10).			x
		Development of commercial, residential and institutions under high efficiency standards, systems and low-emission and resilient technologies (5).			x
		Use better design and construction techniques and materials sustainable architectural management (eg renewable energy or rainwater harvesting systems) (5).			x x x x x x x x x x x x x x x
	Building	Implement a national strategy for construction and use of green infrastructure in human settlements hands (5).			x
	sustainable and sanitation	Control urban expansion outside the polygons of growth (5) (10).			x
	basic	Encourage the use of energy saving technology water and energy, as well as for the payment of services for the conservation of dwellings (5).			x
		Build housing with an adaptation approach and resilient (stilt buildings, houseboats and terrified) (5).		x	
		Improve basic housing services in areas of social backwardness and extreme poverty (5).		x	
		Establish regulatory mechanisms for the industrial sector			
		adaptation to climate change, considering well-being social and ecosystems (5).		х	

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			CLIMATE CHANGE AREA		
TOPICS	SUBTEMES	ACTIVITIES	MITIGATION	ADAPTATION	BOTH OF THEM
		Conduct infrastructure vulnerability monitoring ra (5) (10).		x	
		Plan and redesign infrastructure compatible with the climate (5) (10).		x	
		Ensuring resilience on coastal roads / paths (5) (10).		x	
		Ensure the resilience of rural housing in marine areas- coastal (5) (10).		x	
Infrastructure	Infrastructure	Establish clear guidelines to differentiate between works gray and green works (5).		x	
ture	resilient	Issue building regulations with a vision for change climatic (5).			x
		Carry out social infrastructure actions that benefit to the localities that present higher levels of lag social and extreme poverty (5) (10).		x	
	Processes Industrial	Deploy resilient infrastructure (green, storm vessels, mint, wildlife crossings) (5) (10).		x	
		Use information technologies and geospatial systems them, as well as information and statistical entities for the construction of infrastructure (5) (10).		x	
		Develop business models of integral design "cradle to grave "(or" cradle-to-grave ") for products, their inputs, its packaging, and its uses (6).	x		
Industry		Adopt technologies and production processes that allow reduce GHG emissions (For example, in the production cement, aluminum, lime, plastics, chemicals, fertilizers tes) (6).	x		
		Reduce fugitive methane emissions in facilities industrial gas and / or oil (6).	x		
		Improve the integral management of solid waste (collection tion, separation, reuse, recycling and final disposal) and implementation of technologies to reduce emissions GHG (7).	x		
		Implement methane capture and use technologies in landfills and / or water treatment plants residuals (7).	x		
	Take advantage (lie, reuse	of- Take advantage of organic waste (7).	x		
Waste	and management waste	of Reduce waste in productive activities (RAO: re organic agricultural wastes) and industrial (models of circular economy) (7).	x		
		Optimize waste transport logistics (7).	x		
		Create demand and strengthen the waste market recoverable (7).	x		
		Collect and transport solid waste through vehicles efficient and zero emissions (7).	x		

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CLIMATE CHANGE AREA

ACTIVITIES

MITIGATION ADAPTATION

BOTH OF THEM

х

Incorporate better production practices to reduce emissions in priority subsectors (coffee, bananas, livestock, sugar cane, pineapple, rice) (Eg. Selection and

TOPICS

SUBTEMES

x
x
x
x
x

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			CLIMATE CHANGE AREA		
TOPICS	SUBTEMES	ACTIVITIES	MITIGATION	ADAPTATION	BOTH OF THEM
		Consolidate biological corridors (10).		x	
		Increase green areas for recreation in the GAM by by improving connectivity between protected areas and the consolidation of biological and riparian corridors intercity (10).			x
		Implement bioclimatic shelters, restoration and reduction loss and / or deterioration of ecosystems (10).		x	
		Consolidate and develop natural infrastructure (forest, medals and other ecosystems), sustainable landscape management bles inclusive) (10).		x	
Е		Implement conservation programs to avoid loss of species due to changes in temperature (10).		x	
		Implement ecosystem conservation projects in order to reduce GHG emissions caused by the degradation of these (10).	x		
		Implement mechanisms related to payments for services environmental cios (10).			x
	Biodiversity and Ecosystems	Strengthen the generation and valuation of goods and services resources from ecosystems (10).		x	
		Implement a regional monitoring program for			

Atmosphere

Driving Forest

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		•
biodiversity in order to identify and control the impacts of climate change (10).	x	
Promote the inclusion of conservation criteria and priorities Vation in the formulation of policies, plans, programs, infrastructure-related works and projects (10).	x	
Develop management instruments and strategy design efforts that seek synergies between mitigation and adaptation tation (10).		x
Promote sustainable forestry practices (10).		x
Replace exotic species in urban parks and promote natural pollinators (10).	x	
Minimize the use of agrochemicals and pesticides, and if possible, replace them with biopesticides (10) (8) (9).		x
Implement ecosystem-based adaptation practices more (10).	x	
Implement forest control and surveillance measures (fire management and fire control) (10).		x
Carry out sustainable forest management (Reduction, restoration and prevention of deforestation or degradation tion of forest ecosystems) (10).		x
Implement the National REDD + Strategy (10).		x
Create synergies between adaptation and reduction practices tion of emissions from deforestation avoided (10).		x
Integrate indigenous communities in forestry projects such (REDD, Forest Development Plan in the Territories Indigenous) (10).		x
Regulate the forestry sector (Land tenure and rights carbon) (10).		x
Implement an Information System on Safeguarding days (SIS) (10).		x
Implement and monitor the Management Framework Environmental and Social (MGAS) (10).		x

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TOPICS			CLIMATE CHANGE AREA		
	SUBTEMES	ACTIVITIES	MITIGATION	ADAPTATION	BOTH OF THEM
		Reforestation (plantations) and agroforestry in non-forest land (10).			x
Resources hydric	Resources hydric	Implement a product certification system free from deforestation (10).	x		
		Improve and strengthen community aqueducts.			x
		Protect sources, springs and groundwater.		x	
		Adequately plan the use of water resources.		x	
		Increase investment and improve natural infrastructure and water, applying water efficiency technologies.			x
		Monitor impacts and encourage research to reduce cir vulnerability and identify adaptation actions in water sector.		x	
Atmosphere	Sanitation of waters	Promote public-private partnerships for quality and quantity water quality		x	
		Ensure that quantity projections and assessments and water quality contemplate expected impacts of climate change.		x	
		Invest in quality and quantity technologies of water		x	
		Implement water harvesting techniques (8) (9).		x	
		Carry out proper management of CH4 emissions in reservoirs and treatment plants (7) (8) (9).	x		
		Installation of domestic water collection equipment rain and storage (8) (9).		x	
		Carry out comprehensive watershed management (both in areas high, such as medium and low).			x
		Increase coverage, maintenance and sustainability of sanitary and storm sewer systems.			x
		Reduce vulnerability to extreme events and in- infectious diseases.		x	
	Attention and control of	Provide education and awareness of the population illnesses related to the effects of change climate.		x	
	diseases	Promote preventive practices for diseases whose spread is related to climate change.		x	
		Transfer competences to primary care centers of			

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Hea

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Health		health for diseases associated with climate change		x
	Adapt health services to demographic needs graphical, epidemiological and cultural groups in efficient in the Health sector Build efficient installed capacity to provide ser- health vices to treat diseases with greater incidence in climate change scenarios.	Adapt health services to demographic needs graphical, epidemiological and cultural groups in situation of vulnerability.		x
		Build efficient installed capacity to provide ser- health vices to treat diseases with greater incidence in climate change scenarios.	x	
	Surveillance of the Health	Strengthen surveillance of diseases sensitive to weather.		x
		Integrate risk factors into business practices and tourism planning processes.		x
tourism	tourism resilient	Adapt the sector and tourist destinations to the effects of climate change and new conditions, management of risks.		x
		Protect the well-being of visitors and image of the destinations us tourist.		x

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			CLIMATE CHANGE AREA		
TOPICS	SUBTEMES	ACTIVITIES	MITIGATION	ADAPTATION	BOTH OF THEM
		Consolidate early warning system (Identification, monitoring and monitoring of hydrometeorological threats cas for early warnings)		x	
		Design and implement risk management plans for disasters associated with climate change (Incorporate disaster risk variable in social development.)		x	
		Create resilient infrastructure (protection of infrastructure public structure, through an adequate assessment of the risk and the adoption of safeguard mechanisms ensuring the robustness of infrastructure works and other viral lines.)		x	
	Prevention risk	Develop scientific research, systematic collection data analysis and current and prospective information analysis on impacts, losses and damages due to hydro-		x	
	associates In return climate	theoretical. Ensure resilience at the community level, considering climate change scenarios.		x	
	of	Establish technical standards and guidelines for resilience of the productive sectors that enable a production sustainable and climate-smart management and ensure food and nutrition security and sustainability of resources in a context of climate chance.		x	
		Knowledge and dissemination of information on risks climatic.		x	
Management of risk and		Build resilient infrastructures such as a protection system for dams.		x	
attention of disasters		Promote the incidence of social and economic actors costs in risk management, with particular emphasis on the vulnerable communities and in private activity.		x	
		Incorporate criteria for adaptation and reduction of vul- current reliability in the processes of reconstruction and post-disaster recovery.		x	
		Implement the National Program for the monitoring of vulnerabilities that infrastructure systems have ture against the phenomena of floods, droughts, des- landslides and sea level rise that could warsen with climate channes		x	
		Generate knowledge about risk management and studies vulnerability and adaptability to climate change.		x	
	Management of associated risk to disasters	Implement support and financing mechanisms transfer and risk associated with hydro events climate conditions of public infrastructure (insurance, bonds, economic instruments).		x	
		Establish permanent support programs through credits and guarantees for vulnerable areas, productive areas tives and infrastructure affected by natural disasters.			x
		Design and implement recovery and reconstructive plans post disaster construction with change considerations climate.		x	
		Develop and increase people with training and knowledge foundation on disaster risk management.		x	

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			CLIMATE CHANGE AREA		
TOPICS	SUBTEMES	ACTIVITIES	MITIGATION	ADAPTATION	BOTH OF THEM
		Rescue and apply ancestral practices.		x	
		Readjust, relocate and diversify productive practices most vulnerable.		x	
		Implement sustainable fishing practices		x	
	Protection and promotion of	Carry out a monitoring of oceanographic and fishing variables you want.		x	
	lifestyles	Review closed periods and greater control of ships fishing boats.		x	
		Create marine reserves.		x	
		Convert sustainable productive activities.		x	
		Implement the Blue Carbon NAMA.	x		
		Have legal and institutional arrangements for mitigating gation and adaptation.			x
	Planning and governance	Have mechanisms for citizen participation and improve inter-institutional coordination to discuss plans, standards and / or strategies related to change climate.			x
		Design and implement Environmental Management Programs Institutional (PGAI).			x
ross		Integrate and promote "vertical" connectivity between zones coastal and basin above.		x	
		Carry out a marine zoning.		х	
	Investigation, education and	Strengthen the capacities of the public and private sectors to understand the importance of fighting change climate and implement mitigation and / or adaptation actions tation.			x
		Develop research related to adaptation to climate change, including observation, forecasting and meteorological and hydrological models; evaluations about vulnerability and impact, indicators at the health level, among others.		x	
	strengthening capacity	Implement awareness, communication strategies and dissemination on the subject of climate change.			x
	give for him low development in carbon	Assess the impacts of climate change, vulnerability and adaptation in specific sectors and regions.		x	
	and resilient to weather	Include information on climate change in the plans study purposes at all levels of formal education, informal and not formal.			x
		Promote the training of professionals with knowledge cough on the issue of climate change.			x
		Develop research on climate change issues relevant to the country (vulnerability assessments, establishment of baselines, quantification and analysis of costs etc.)			x

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ACTIVITIES

	Design and implement financing mechanisms and instruments that enable low-carbon development and resilient to the climate (Innovation, investment, eco-competitive vity and resilience of the economy to climate change co-schemes for environmental certification and incentives to production adapted to climate change).		x
Financing and tools	Implement economic incentives for the mitigation of GHG in various sectors.	x	
market	Improve the competitiveness of financing mechanisms development for low carbon and resilient development weather in relation to other activities.		x
	Create conditions to give greater and better access to the market for agricultural products from producers who low emission technologies are applied.		x
Frame transparency	Implement monitoring, reporting and verification systems tion of GHG emissions.	x	
Source: Own elaboration based on (GFLA	C, 2018)		

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Annex 3. Report field "Funder"

Table 4. List of categories for the report field "Funder"

Origin of resources

National Trust for Development (FINADE) Financing Fund for Development (FOFIDE) Guarantee Fund of the Special Fund for the development of micro, small and medium-sized enterprises (FODEMIPYME) National Forest Financing Fund (FONAFIFO) National public bank resources Development Credit Fund (CDF) Resources of national private financial entities

World Bank (WB) Funds Climate Investment Funds (CIF) - administered by BM

International Finance Corporation (IFC)

Inter-American Development Bank (IDB) Funds

Multi-Donor Fund for Sustainable Biodiversity and Ecosystem Services and Change

Climate

IDB Invest

IDB Lab (ex MIF)

Development Bank of Latin America (CAF)

Central American Bank for Economic Integration (CABEI)

Green Climate Fund (GCF)

Adaptation Fund (FA)

Global Environment Facility (GEF) NAMA Facility

United Nations Development Program (UNDP)

United Nations Environment Program (UNEP)

Food and Agriculture Organization of the United Nations (FAO)

REDD Program United Nations

Carbon Forest Partnership

NDC Partnership

Central American Commission for Environment and Development (CCAD)

Regional Fund for Technology in Agriculture (FONTAGRO)

European Union - Latin America Investment Facility (LAIF)

European Union - Euroclimate

Germany - German Agency for International Technical Cooperation (GIZ)

Germany - Federal Bank for Reconstruction and Development (KfW)

Germany - International Climate Initiative (IKI)

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Germany - Federal Ministry for the Environment, Nature Conservation, Construction and Safety German Nuclear Authority (BMUB) Germany - Federal Ministry for Economic Cooperation and Development (BMZ) Canada - Canadian Agency for International Cooperation United States - United States Agency for Development Cooperation (USAID) Spain - Spanish Agency for International Development Cooperation (AECID) Spain - Spanish Agency for International Development Cooperation (AECID) Spain - TRIODOS Bank Switzerland - Swiss Agency for Development Cooperation (SDC) United Kingdom - United Kingdom Aid (UK Aid) United Kingdom - UK Department for International Development (DFID) Japan - Japan Cooperation Agency (JICA) Norway - Norwegian Agency for Development Cooperation (NORAD) Netherlands - Dutch Ministry of Foreign Affairs (DGIS) Netherlands - Dutch Financial Development Company (FMO)

France - PROPARCO

Mexico - Mexican Agency for International Development Cooperation (AMEXCID)

Source: Own elaboration based on (GFLAC, 2018) and interviews with 13 financial entities in Costa Rica

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