



Background paper on the Doha outcomes and the operational plan of the Standing Committee on Finance for 2013

I. Background

1. At the seventeenth session of the Conference of the Parties (COP), Parties agreed on and defined the functions and activities of the Standing Committee on Finance (SCF). Based on this, in 2012, the SCF developed its work programme for the period 2013–2015¹, which was endorsed by COP 18.
2. At COP 18 in Doha, Parties further identified tasks and activities that the SCF will have to consider in the development of its operational plan for 2013 and beyond. Further tasks and activities mandated by the COP are outlined below within the context of the overview of the Doha outcomes related to the SCF.

¹ As contained in FCCC/CP/2012/4.



II. Overview of SCF related Doha outcomes

	Outcomes
Report of the SCF	In its decision on the report of the SCF ² , Parties welcomed the operationalization of the SCF and noted with appreciation its 2012 report, with Parties endorsing the SCF work programme for 2013–2015 and welcoming the SCF work on the forum. Additionally, Parties adopted the revised composition and working modalities of the SCF. ³ Furthermore, it was decided that the Chair and Vice-Chair of the SCF shall serve as Co-Chairs, effective from the first meeting of the SCF in 2013. Moreover, the name of the “Standing Committee” was changed to “Standing Committee on Finance”. The SCF was further requested to also consider the guidance provided to the SCF in other decisions of the COP.
Forum of the SCF	In the decision on the report of the SCF ⁴ , the SCF was requested to report on the forum in its report to the COP. Furthermore, the SCF was encouraged to facilitate the participation of the private sector, financial institutions and academia in the forum. In the Agreed outcome pursuant to the Bali Action Plan, Parties stated that they look forward to the implementation of the work programme of the SCF, including the creation of a climate finance forum which will enable all Parties and stakeholders to, inter alia, exchange ideas on scaling up climate finance ⁵ .
Fifth review of the financial mechanism	The decision initiating the fifth review of the financial mechanism (FM) ⁶ , requests the SCF to further amend the guidelines for the review and to provide draft updated guidelines for consideration and adoption by COP 19, with a view to finalizing the fifth review for consideration by COP 20. The development of the guidelines should take into account existing guidelines and recent developments within the FM, drawing upon information from, inter alia, fast-start finance, the work of the Green Climate Fund (GCF), the initial review of the Adaptation Fund and the work programme on long-term finance (LTF). Furthermore, the SCF was requested to provide periodic updates on the status of its work relating to the fifth review to the Subsidiary Body for Implementation (SBI) for its consideration, beginning at SBI 38, with the aim of ensuring an inclusive and transparent process. Parties were invited to submit, by 1 March 2013, their views and recommendations on elements in the development of the further guidelines for the fifth review of the FM for consideration by the SCF.
Work programme on LTF	In its decision on the work programme on LTF ⁷ , the COP decided to extend the work programme until the end of 2013. Aim of the extended work programme is to inform developed country Parties in their efforts to identify pathways for mobilizing the scaling up of climate finance to USD 100 billion per year by 2020 from public, private and alternative sources in the context of meaningful mitigation actions and transparency on implementation. Additional aim is to inform Parties in enhancing their enabling environments and policy frameworks to facilitate the mobilization and effective deployment of climate finance in developing countries. Parties and the thematic and expert bodies under the Convention were invited to submit, by 21 March 2013, their views on LTF, taking into account the report on the workshops of the work programme on LTF, for consideration by the co-chairs of the work programme. Furthermore, the SCF was requested to support the implementation of the work programme by providing expert inputs.
Biennial assessment	In the decision on the report of the SCF ⁸ , developed country Parties were invited to submit, by May 2014, information on the appropriate methodologies and systems used to measure and

² Decision 5/CP.18.

³ As contained in annex IV to FCCC/CP/2012/4.

⁴ Decision 5/CP.18.

⁵ Decision 1/CP.18, paragraph 70.

⁶ Decision 8/CP.18.

⁷ Decision 4/CP.18.

⁸ Decision 5/CP.18.



	Outcomes
overview of climate finance flows	track climate finance. Furthermore, the SCF was requested to consider ways of strengthening methodologies for reporting climate finance in preparing the first biennial assessment and overview of financial flows. In the Agreed outcome pursuant to the Bali Action Plan, the SCF was additionally requested to take into account relevant work by other bodies and entities on the measurement, reporting and verification (MRV) of support and the tracking of climate finance in initiating the first biennial assessment and overview of climate finance flows ⁹ .
Arrangements between the COP and the GCF	In its decision on the arrangements between the COP and the GCF ¹⁰ , the COP recognized that the provisions contained in Article 11, paragraph 3, decision 3/CP.17, and the governing instrument of the GCF (annex to 3/CP.17) form the basis for arrangements between the COP and the GCF. The SCF and the GCF Board were requested to develop arrangements between the COP and GCF in accordance with the governing instrument of the GCF and Article 11, paragraph 3, for agreement by the Board and subsequent agreement by COP 19.
Guidance to the GEF	In its decision on the report of the GEF to the COP and additional guidance to the GEF ¹¹ , the COP noted the recommendations of the SCF with regard to the provision of draft guidance for the operating entities of the FM. The GEF was invited to submit to SBI 38 information on the status of resources available for programming in its fifth replenishment period, and on any possible contingency measures regarding the allocation of resources for implementing climate change projects. The GEF was further requested to make its annual report to the COP available as early as possible, and no later than 14 weeks prior to a session of the COP. Parties were invited to submit annually, no later than 10 weeks prior to a session of the COP, their views and recommendations in writing on the elements to be taken into account in the development of annual guidance for the operating entities of the FM. Furthermore, the SCF was requested to provide to the COP at each of its sessions, beginning in 2013, draft guidance for the GEF, based on the annual report of the GEF to the COP and the views submitted by Parties.
Guidance to the GCF	In its decision on the report of the GCF to COP and guidance to the GCF ¹² , the COP decided to provide initial guidance to the GCF at COP 19. The GCF Board was requested to make available its annual reports to the COP as early as possible, and no later than 12 weeks prior to a session of the COP, for consideration by Parties. Parties were invited to submit annually, and no later than 10 weeks prior to the subsequent session of the COP, their views and recommendations in writing on the elements to be taken into account in developing guidance to the operating entities of the FM.

⁹ Decision 1/CP.18, paragraph 71.

¹⁰ Decision 7/CP.18.

¹¹ Decision 9/CP.18.

¹² Decision 6/CP.18.

**III. Draft operational plan of the SCF for 2013¹³**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
3rd meeting of the SCF			X									
4th meeting of the SCF (proposed)						X						
5th meeting of the SCF									X			
Online collaboration between SCF members (including virtual meetings)	X				X							
Meeting of the forum (tentative)					X	X	X	X				
Virtual forum (tentative)						X	X					
Draft guidance to the operating entities									X			
Draft updated guidelines for the review of the financial mechanism						X			X			
Provide periodic updates on the status of its work relating to the fifth review of the FM to the SBI					X						X	
Develop arrangements between the COP and the GCF together with GCF Board (delivery before last meeting of the Board (tentatively in September 2013) for agreement by the Board)									X			
Support implementation of the work programme on long-term finance						X	X	X				
Thematic bodies to submit views on long-term finance (21 March)			X									
Preparations for first biennial assessment overview of climate flows						X			X			
Establish linkages with the SBI; recommendations on linkages to be presented to COP 19									X			
Establish linkages with other thematic bodies under the Convention												
Report of the SCF, including report on the forum									X			
Making recommendations on how to improve the coherence, effectiveness and efficiency of the operating entities of the financial mechanism (as appropriate)												
Improving coherence and coordination in the delivery of climate change financing, including the undertaking of analyses and information exchanges (as appropriate)												

¹³ Based on the mandates and activities outlined in decision 2/CP.17 as well as the additional mandates provided by COP 18 as outlined in section II of this paper.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Rationalization of the financial mechanism, including the undertaking of analyses and information exchanges (as appropriate)												
Measurement, reporting and verification of the support provided to developing country Parties, including the undertaking of analyses and information exchanges (as appropriate)												
Mobilization of financial resources, including the undertaking of analyses and information exchanges (as appropriate)												
Any other functions that may be assigned to the SCF by the COP												

X = delivery date
On-going work
Implementation period



IV. Expected deliverables for the tentative SCF meetings in 2013

Meeting	Expected deliverables	Background documents
3rd meeting	<ul style="list-style-type: none"> Agree on topic, date and venue of the forum Agree on prototype of the virtual forum 	<ul style="list-style-type: none"> Input from the forum working group Background note on the forum (working group)
	<ul style="list-style-type: none"> Agree on possible SCF input to the work programme on long-term finance 	<ul style="list-style-type: none"> Background note on long-term finance
	<ul style="list-style-type: none"> Agree on working modalities for the development of the COP – GCF arrangements Initial discussions on the content of the COP – GCF arrangements 	<ul style="list-style-type: none"> Input from the working group on the COP – GCF arrangements Co-chairs proposal on procedure for the development of the COP – GCF arrangements including interaction with GCF Board Submissions by SCF members
	<ul style="list-style-type: none"> Agree on work plan for the fifth review of the financial mechanism 	<ul style="list-style-type: none"> Input from the working group on the fifth review Background note on the fifth review of the financial mechanism (working group)
	<ul style="list-style-type: none"> Initial discussions on linkages with SBI and other thematic bodies 	
	<ul style="list-style-type: none"> Initial discussions on the guidance to the operating entities in terms of procedural aspects 	
4th meeting	<ul style="list-style-type: none"> Initial discussions on the outcomes of the proposed COP-GCF arrangements 	<ul style="list-style-type: none"> Output of the work of the working group
	<ul style="list-style-type: none"> Possible expert input to the work programme on long-term finance 	<ul style="list-style-type: none"> Proposed work plan of the work programme on long-term finance as prepared by the LTF co-chairs
	<ul style="list-style-type: none"> Work plan and draft terms of reference for the biennial 	<ul style="list-style-type: none"> Input from the working group on the biennial assessment



Meeting	Expected deliverables	Background documents
	<p>assessment</p>	<ul style="list-style-type: none"> • What about something on the scope of SCF overall work pertaining to MRV? • Background document on the biennial assessment (working group)
	<ul style="list-style-type: none"> • Agree on the final version of the virtual forum 	<ul style="list-style-type: none"> • Input from the forum working group • Enhanced version of the virtual forum
	<ul style="list-style-type: none"> • Discussions on the terms of reference in developing guidance to the operating entities 	<ul style="list-style-type: none"> • Input from the working group on the guidance to the operating entities • Background note on the guidance to the operating entities (working group)
5th meeting	<ul style="list-style-type: none"> • Terms of reference for the biennial assessment 	<ul style="list-style-type: none"> • Input from the working group on the biennial assessment • Background document on the biennial assessment (working group)
	<ul style="list-style-type: none"> • Agree on the recommendations regarding arrangements between the COP and the GCF 	<ul style="list-style-type: none"> • Input from the working group on the COP – GCF arrangements
	<ul style="list-style-type: none"> • Development of draft guidance to the operating entities 	<ul style="list-style-type: none"> • Annual reports of the operating entities • Input from the working group on the guidance to the operating entities • Background note on the guidance to the operating entities (working group)
	<ul style="list-style-type: none"> • Draft updated guidelines for the fifth review of the financial mechanism • Update to SBI 39 on the status of the process 	<ul style="list-style-type: none"> • Input from the working group on the fifth review • Background note on the fifth review of the financial mechanism(working group)
	<ul style="list-style-type: none"> • Recommendations on the linkages with SBI 	<ul style="list-style-type: none"> • Background note the linkages with SBI
	<ul style="list-style-type: none"> • Consideration of draft report of the SCF to the COP, including report on the forum 	<ul style="list-style-type: none"> • Draft report