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缔约方会议

第十九届会议

2013 年 11 月 11 日至 22 日，华沙

临时议程项目 11 (b)

与资金有关的事项

融资问题常设委员会的报告

脆弱性和适应的

内罗毕工作方案

## 融资问题常设委员会提交缔约方会议的报告\*

### 摘要

本报告载有关于融资问题常设委员会 2013 年工作的资料和建议，包括：委员会 2013 年 3 月 8 日至 10 日的第三次会议；2013 年 6 月 15 日至 17 日的第四次会议；2013 年 8 月 27 日至 30 日的第五次会议，这些会议均是在德国的波恩举行的。报告还载有：常设委员会成员名单；常设委员会第一次论坛报告；缔约方会议与绿色气候基金(气候基金)之间的安排草案；对《公约》资金机制第五次审查的修订指南草案的讨论结果；全球环境基金指南草案要点；气候基金初步指导意见草案要点；气候融资流量的第一次两年期评估和概览的目标、范围和具体时间表；常设委员会 2014-2015 年期工作计划。

\* 本文件逾期提交，是为载入融资问题常设委员会 2013 年最后一次会议后闭会期间工作的结果。

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## 一. 引言

### A. 任务

1. 《公约》缔约方会议(缔约方会议)根据第 1/CP.16 号决定,<sup>1</sup> 在缔约方会议之下设立了一个常设委员会, 又根据第 5/CP.18 号决定,<sup>2</sup> 将其更名为融资问题常设委员会, 协助缔约方会议履行在《公约》资金机制方面的职能, 包括改进气候变化融资的一致性和协调性, 实现资金机制的合理化, 调集资金, 以及衡量、报告和核查向发展中国家缔约方提供的支持。
2. 缔约方会议在第 2/CP.17 号决定中决定,<sup>3</sup> 常设委员会应就其工作的所有方面向缔约方会议的每届常会提出报告和建议, 供其审议
3. 缔约方会议根据第 5/CP.18 号决定,<sup>4</sup> 批准了常设委员会 2013-2015 年工作方案。<sup>5</sup>

### B. 本说明的范围

4. 本说明载有常设委员会供缔约方会议第十九届会议审议的建议, 以及关于常设委员会 2013 年工作所有方面的报告, 包括第三、第四和第五次会议, 常设委员会第一次论坛和闭会期间工作的情况。

### C. 建议缔约方会议第十九届会议采取的行动

5. 缔约方会议不妨注意以下事项:
  - (a) 载于附件一;
  - (b) 常设委员会第一次论坛报告, 载于附件二;
  - (c) VII; 气候融资流量第一次两年期评估和概览工作计划草案, 载于附件七;
  - (d) 常设委员会经修订的 2014-2015 年工作计划, 载于附件八。
6. 关于常设委员会的有关任务,<sup>6</sup> 即进一步修订资金机制审查指南, 并提供修订的指南草案, 供缔约方会议第十九届会议审议和通过, 以期最后确定对资金机制的第五次审查, 供缔约方会议第二十届会议审议, 常设委员会:

<sup>1</sup> 第 1/CP.16 号决定, 第 112 段。

<sup>2</sup> 第 5/CP.18 号决定, 第 9 段。

<sup>3</sup> 第 2/CP.17 号决定, 第 120 段。

<sup>4</sup> 第 5/CP.18 号决定, 第 3 段。

<sup>5</sup> FCCC/CP/2012/4, 附件二。

<sup>6</sup> 第 8/CP.18 号决定第 2 段。

(a) 提交了对经修订的《公约》资金机制第五次审查指南草案的讨论结果，供缔约方会议审议，载于附件四；

(b) 随时准备支持对《公约》资金机制进行第五次审查。

7. 常设委员会建议缔约方会议借助载于附件五的全球环境基金(环境基金)指南草案要点，评议准备在缔约方会议第十九届会议上提交环境基金的指南。

8. 常设委员会还建议缔约方会议在向气候基金提交初步指导意见时，参考载于附件六的气候基金初步指导意见草案的要点。

9. 常设委员会进一步建议缔约方会议根据气候基金董事会第五次会议关于缔约方会议与气候基金之间安排草案的上一个一致意见，议定载于附件三的安排草案。

## 二. 融资问题常设委员会第三、第四和第五次会议的议事情况

### A. 成员

10. 2013 年期间，常设委员会的成员组成发生了一些变化。Wilhelmina Verdegaal 女士(荷兰)接替 Søren Jakobsen 先生(丹麦)，Yorio Ito 先生(日本)接替 Teruhiko Shinada 先生(日本)。截至 2013 年 9 月 1 日的常设委员会成员名单，载于附件一。

### B. 常设委员会的会议

11. 常设委员会第三次会议于 2013 年 3 月 8 日至 10 日在德国的波恩举行。常设委员会讨论了缔约方会议第十八届会议的主要成果及其对常设委员会 2013 年工作的意义，缔约方会议与气候基金之间的安排，以及常设委员会第一次论坛的组织。处理的其他问题包括《公约》资金机制第五次审查的范围，修订有关指南以供审查的任务，以及对长期融资工作方案的投入。常设委员会成员同意在西班牙巴塞罗那的碳博览会期间举办常设委员会第一次论坛，并特别确认了该次论坛的可能专题和分专题。此外，常设委员会起草了可能内容的清单，工作方式建议，以及制定缔约方会议与气候基金之间安排的时间表，在常设委员会第三次会议之前，还就该时间表与气候基金董事会作了正式交流。设立了两个工作组，一个是论坛问题工作组，一个是资金机制第五次审查问题工作组，以开展闭会期间工作。

12. 常设委员会第四次会议于 2013 年 6 月 15 日至 17 日在德国的波恩举行。常设委员会回顾了其第一次论坛的成果，就准备提交给《公约》资金机制经营实体的指南进行了初步讨论。此外，常设委员会讨论了缔约方会议与气候基金之间的安排问题，以及经修订的资金机制第五次审查指南。处理的其他问题包括：长期融资工作方案的专家投入；衡量、报告和核查所提供支持，以及气候融资流量两

年期评估和概览；与附属履行机构和《公约》之下的专题机构的联系；可能的常设委员会行为守则。会议期间，常设委员会成员在制定缔约方会议与气候基金之间的安排草案方面取得了长足进展，已请他们就长期融资工作方案，衡量、报告和核查所提供支持和气候融资流量两年期评估和概览，资金机制第五次审查修订指南和准备提交资金机制经营实体的指南草案提供投入。常设委员会还请外部利益攸关方就衡量、报告和核查所提供支持，以及气候融资流量两年期评估和概览工作提供投入。

13. 常设委员会第五次会议于 2013 年 8 月 27 日至 30 日在德国的波恩举行。常设委员会讨论了《公约》资金机制第五次审查指南修订草案和准备提交资金机制经营实体的指南草案，包括环境基金的指南草案、对气候基金的初步指导意见草案和对气候基金的补充指导意见草案。常设委员会还讨论了衡量、报告和核查所提供支持，气候融资流量第一次两年期评估和概览，以及常设委员会第二次论坛问题。会议期间，常设委员会完成了缔约方会议与气候基金之间的安排草案，将转达给后者的董事会，制订了关于常设委员会第二次论坛的建议以及气候融资流量第一次两年期评估和概览工作计划。设立了工作组，继续就常设委员会第二次论坛、气候融资流量第一次两年期评估和概览和准备提交资金机制经营实体的指南草案开展闭会期间工作。

14. 常设委员会通过会议期间的全体和分组讨论以及闭会期间的工作组进行工作。在所有这些会议上，观察员组织的代表通常都应邀就所讨论的各种问题发表意见，并积极参与各分组的评议。

15. 尤其是，在常设委员会第五次会议上，来自全球环境基金秘书处和全球环境基金评估处、经济合作与发展组织(经合组织)、欧洲复兴开发银行和海外开发研究所的专家应邀就全球环境基金指南草案和衡量、报告和核查所提供支持问题作了专题陈述。常设委员会成员随后就这些问题与上述专家进行了深入讨论。

16. 所有这些会议都有大量观察员参加，包括缔约方观察员以及非政府组织、政府间组织和智库的代表。

17. 对常设委员会第四和第五次会议进行了网播，会议期间和点播的实际参加人数都很多。在常设委员会网站上，可以查阅会议记录。<sup>7</sup>

18. 所有的会议文件、会议报告、与会者名单、会议期间的发言和提交的相关材料，也可以在常设委员会网站上查阅。<sup>8</sup>

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<sup>7</sup> <http://unfccc.int/7703.php>。

<sup>8</sup> <https://unfccc.int/6881.php>。

### 三. 融资问题常设委员会 2013 年的工作

#### A. 融资问题常设委员会第一次论坛和虚拟论坛

19. 根据第 2/CP.17 号决议,<sup>9</sup> 常设委员会的职能之一是组织一个从事气候变化融资的机构和实体之间通报情况和不断交换信息的论坛,以促进联系和一致性。在第 5/CP.18 号决议中,<sup>10</sup> 缔约方会议欢迎就常设委员会论坛开展的工作,鼓励常设委员会为私营部门、金融机构和学术界参加论坛提供便利。此外,在第 1/CP.18 号决议中,<sup>11</sup> 缔约方会议指出,它期待常设委员会工作方案的执行,包括设立气候融资论坛,使所有缔约方和利益攸关方除其他外能够就扩大气候融资交流想法。

20. 常设委员会的论坛与世界银行研究所合作,在碳博览会举办之际,于 2013 年 5 月 28 日在西班牙的巴塞罗那组织了第一次人际会议,活动的主要专题是“立即调动资金,投资于气候行动”,涉及缓解和适应问题,以及追踪气候融资问题。常设委员会第一次论坛的详尽报告和对论坛讨论期间提出的主要问题的总结,载于附件二。应当指出,该总结和其中列明的问题不应理解为已经常设委员会同意;然而,它们反映了在陈述和随后的讨论过程中提出的主要问题。

21. 与第一次论坛同时,常设委员会发起了虚拟论坛。在线平台除其他外,提供了有关的背景信息;关于常设委员会从缔约方、国际组织、智库和其他外部利益攸关那里收到的气候变化融资方面问题的投入;常设委员会第一次论坛记录。<sup>12</sup> 此外,还包括向所有感兴趣的气候融资利益攸关方发出的长期公开邀请,请它们就与其有关的事项向常设委员会提供信息。同时,常设委员会还利用该平台就各种具体问题向不同的利益攸关方寻求投入,例如关于衡量、报告和核查所提供支支持,以及 2013 年 6 月进行的气候融资流量的第一次两年期评估和概览。鉴于常设委员会收到了大量投入,回应其呼吁,常设委员会计划进一步加强其在线工具的外联能力。

22. 常设委员会第四和第五次会议,讨论了第一次论坛的经验教训和准备在 2014 年举办的第二次论坛的选择。常设委员会商定举办第二次论坛,计划采取两天会议的形式,与气候投资基金伙伴关系论坛接续起来,暂定于 2014 年 6 月末在牙买加的蒙特哥湾举办。此外,常设委员会着手就有关问题进行了初步讨论,例如可能的专题和分专题,以及第二次论坛的目标受众。它设立了一个工作组,将继续就 2014 年的常设委员会论坛的专题和分专题提出具体建议。

<sup>9</sup> 第 2/CP.17 号决议,第 121(a)段。

<sup>10</sup> 第 5/CP.18 号决议,第 4 段。

<sup>11</sup> 第 1/CP.18 号决议,第 70 段。

<sup>12</sup> 可查阅 <http://unfccc.int/7552.php>。

## B. 缔约方会议与绿色气候基金之间的安排

23. 缔约方会议第 7/CP.18 号决定请常设委员会和绿色气候基金董事会按照气候基金管理文书<sup>13</sup>和《公约》第十一条第 3 款，制订缔约方会议与气候基金之间的安排，供气候基金董事会予以议定，随后供缔约方会议第十九届会议予以议定。缔约方会议确认第十一条第 3 款所载规定，以及第 3/CP.17 号决定和该决定附件所载气候基金管理文书的规定，构成缔约方会议与气候基金之间安排的基础。

24. 常设委员会第三次会议制定了缔约方会议与气候基金之间安排的要点，随后传达给气候基金董事会。该董事会在其第 GCF/B.01-13/11 号决定中，决定委托气候基金联合主席草拟与常设委员会联合主席的安排。继该决定，气候基金和常设委员会的联合主席进行了非正式磋商。在常设委员会第四和第五次会议上，常设委员会成员完成了缔约方会议与气候基金之间安排草案，在第五次会议之前，将安排草案转送气候基金董事会。常设委员会商定的缔约方会议与气候基金之间安排草案载于附件三。

## C. 对《公约》资金机制的第五次审查

25. 缔约方会议根据第 8/CP.18 号决定，<sup>14</sup>按照第 3/CP.4 和第 6/CP.13 号决定所附指南中的标准以及可能拟订的进一步标准，启动了对《公约》资金机制的第五次审查。在同一决定中，缔约方会议常设委员会进一步修订资金机制审查指南，并提供经修订的指南草案，供缔约方会议第十九届会议审议和通过，以期最后确定对资金机制的第五次审查，供缔约方会议第二十届会议审议。缔约方会议请常设委员会在修订指南草案时，考虑到《公约》资金机制内的现有指南和最新动态，参照尤其是快速启动资金等方面的信息、气候基金的工作(考虑到其投入运作的早期阶段)、对适应基金的初步审查和长期融资工作方案。

26. 在此任务基础上，常设委员会在其第四和第五次会议并在第五次会议结束后进行闭会期间工作时，制定了拟议的资金机制第五次审查修订指南要点。常设委员会成员在第四次会议期间，应邀为制定修订指南草案提供投入。考虑到从常设委员会成员那里，<sup>15</sup>以及从条约方那里收到的材料，<sup>16</sup>其中载有它们对将由常设委员会针对缔约方会议第十八届会议请求，在拟订对资金机制进行第五次审查的进一步指南时应予考虑的要点提出的意见和建议，<sup>17</sup>常设委员会就列入修订指南草案的大多数要点达成了共同谅解。关于修订指南草案的讨论结果载于附件四。

<sup>13</sup> 第 3/CP.17 号决议，附件。

<sup>14</sup> 第 8/CP.18 号决议，第 1 段。

<sup>15</sup> 第 8/CP.18 号决议，第 4 段。

<sup>16</sup> 载于 SCF/2013/5/8 号文件。

<sup>17</sup> 可查阅 <https://unfccc.int/5916.php>。

27. 受缔约方会议第十八届会议委托，<sup>18</sup> 常设委员会将向自附属履行机构第三十九届会议提交定期最新资料，说明其关于资金机制第五次审查的工作情况。在附属履行机构第三十八届会议上，由于届会期间的程序问题，常设委员会未能向附属履行机构提交定期最新资料，但举办了一次非正式活动，向缔约方通报其在这一事项上的工作情况。

28. 常设委员会成员一致认为，常设委员会随时准备支持对资金机制的第五次审查，只要缔约方会议第十九届会议赋予常设委员会在这方面的具体任务。

#### D. 准备提交《公约》资金机制经营实体的指南

29. 根据第 4/CP.18 号决定，<sup>19</sup> 常设委员会的职能之一是参考经营实体的年度报告和缔约方提交的材料，向缔约方会议提供对《公约》资金机制经营实体的指南草案，以期提高这类指南的一致性和实用性。

30. 常设委员会在其第四和第五次会议上以及闭会期间处理了该一事项：常设委员会成员应邀在第四次会议上就此问题提供了投入。全球环境基金评价处和环境基金秘书处应邀参加了常设委员会第五次会议。会上作了情况介绍，<sup>20</sup> 会议期间，常设委员会成员与环境基金代表进一步交流了信息。

31. 常设委员会在其成员提交的有关材料基础上，<sup>21</sup> 制定了全球环境基金指南草案要点，载于附件五，还制定了绿色气候基金初步指导意见草案，载于附件六。常设委员会未能对缔约方提交的有关材料(其中载有它们对准备提交资金机制经营实体的指南草案的意见)作出反映，<sup>22</sup> 因为这些材料是在常设委员会第五次会议结束后收到的，但常设委员会强调了在起草对经营实体的指南时必须考虑到这些材料。由于在常设委员会第五次会议时，气候基金尚未完成提交缔约方会议第十九届会议的年度报告，常设委员会无法制定准备在此年度报告基础上提供给气候基金的补充指南要点。

#### E. 对长期融资工作方案的专家投入

32. 缔约方会议第 4/CP.18 号决定，<sup>23</sup> 请常设委员会提供专家投入，对执行工作方案加以支助。在同一决定中，缔约方会议请《公约》之下的专题机构和专家

<sup>18</sup> 第 8/CP.18 号决议，第 3 段。

<sup>19</sup> 第 2/CP.17 号决议，第 121 (c)段。

<sup>20</sup> 可查阅 <https://unfccc.int/6881.php>。

<sup>21</sup> 载于 SCF/2013/5/8 号文件。

<sup>22</sup> 可查阅 <https://unfccc.int/5916.php>。

<sup>23</sup> 第 4/CP.18 号决定，第 6 段。



机构提交关于长期融资问题的意见，供工作方案联合主席审议。<sup>24</sup> 常设委员会第三和第四次会议审议了这一问题。在常设委员会第四次会议上，其成员应邀就长期融资工作方案问题提供材料。<sup>25</sup> 此外，长期融资工作方案的联合主席之一出席了常设委员会第四次会议，提供了关于在工作方案背景下的工作的最新情况。常设委员会成员随后与该联合主席进行了实质性讨论。

33. 常设委员会通过 2013 年会议后与其联合主席的三次单独交流，向长期融资工作方案联合主席强调了以下事项：工作方案与常设委员会论坛的各项活动之间的潜在协同；工作方案可考虑探讨的专题清单；常设委员会各位成员以其个人身份积极参与工作方案的活动的活动；利用从常设委员会成员那里收到的投入筹备这些活动。

## F. 衡量、报告和核查所提供支持，以及气候融资流量的两年期评估和概览

34. 根据第 1/CP.16 号决定，<sup>26</sup> 常设委员会应协助缔约方会议履行其在《公约》资金机制方面的职能，包括衡量、报告和核查向发展中国家缔约方所提供的支持。根据第 2/CP.17 号决定，<sup>27</sup> 并如 2013-2015 年工作方案所示，常设委员会将编制对气候融资流量的第一次两年期评估和概览，提交缔约方会议第二十届会议。

35. 常设委员会第四和第五次会议讨论了上述问题。在第四次会议上，常设委员会成员和外部利益攸关方应邀提供了投入。<sup>28</sup> 有关组织，例如经合组织研究所(就追踪私人气候资金)、欧洲复兴开发银行(在多边开发银行追踪气候资金倡议问题上)和海外开发研究所的代表，应邀在第五次会议上介绍了它们的工作，促进了这些代表与常设委员会成员之间的广泛交流。<sup>29</sup>

36. 常设委员会在其讨论以及各位成员和利益攸关方提供的投入基础上，制定了气候融资流量第一次两年期评估和概览的目标、范围和时间表，载于附件七。常设委员会还设立了一个工作组，在闭会期间处理这一问题。

<sup>24</sup> 可查阅 <https://unfccc.int/5916.php>。

<sup>25</sup> 从常设委员会成员那里收到的投入，载于 SCF/2013/5/8 号文件。

<sup>26</sup> 第 1/CP.16 号决定，第 112 段。

<sup>27</sup> 第 2/CP.17 号决定，第 121 (f)段。

<sup>28</sup> 从常设委员会成员那里收到的投入，见 SCF/2013/5/8 号文件；从利益攸关方那里收到的投入，见常设委员会网站 <https://unfccc.int/6881.php>。

<sup>29</sup> 所作介绍，见常设委员会网站 <https://unfccc.int/6881.php>。

## G. 与附属履行机构和《公约》各专题机构的联系

37. 常设委员会第 2/CP.17 号决定，<sup>30</sup> 要求常设委员会与附属履行机构和《公约》之下的专题机构保持联系。在 2013 年，常设委员会联合主席参加了《公约》其他机构的若干次会议，酌情介绍了常设委员会的有关工作，包括气候基金一次会议、技术执行委员会一次会议和适应委员会一次会议的情况。此外，附属履行机构与德班加强行动平台问题特设工作组联合主席进行了频繁交流。常设委员会联合主席还在缔约方会议第十八届会议期间与各外部利益攸关方进行了非正式磋商。此外，常设委员会在第四次会议期间，与适应委员会成员共进工作午餐。同时，长期融资工作方案的联合主席之一参加了常设委员会第四次会议，非《公约》附件一所列缔约方的国家信息通报问题专家咨询小组主席参加了常设委员会第五次会议。如上文第 27 段所述，在附属履行机构第三十八届会议期间，常设委员会举办了一次非正式活动，向缔约方通报其整体工作情况，常设委员会还将向附属履行机构第三十九届会议提交定期最新资料。

38. 常设委员会同意将在 2014 年深入处理加强与附属履行机构和《公约》专题机构的联系问题。常设委员会联合主席建议在 2014 年初与各机构的主席、联合主席和副主席举行一次会议，确定潜在的联系方式和协同作用，包括根据缔约方会议第十九届会议可能赋予的额外任务来作出确定。

## H. 其他事项

39. 常设委员会根据其一位成员的建议，在第四次会议上着手初步讨论了常设委员会的可能行为守则。常设委员会第五次会议决定因其他工作负担沉重，暂时搁置该议程项目。

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<sup>30</sup> 第 2/CP.17 号决定，第 121(b)段。

## Annex I

[English only]

### List of the members of the Standing Committee on Finance as at 1 September 2013

#### 1. Parties included in Annex I to the Convention

Mr. Gregory Andrews (Australia)  
 Mr. Jozef Buys (Belgium)  
 Mr. Stefan Agne (European Union)  
 Ms. Outi Honkatukia (Finland)  
 Mr. Ulf Moslener (Germany)  
 Mr. Yorio Ito (Japan)  
 Ms. Wilhelmina Verdegaal (Netherlands)  
 Mr. Georg Børsting (Norway)  
 Mr. Stefan Schwager (Switzerland)  
 Mr. Paul Bodnar (United States of America)

#### 2. Parties not included in Annex I to the Convention

##### Africa

Mr. Ali Daud Mohammed (Kenya)  
 Mr. Houssen Alfa Nafo (Mali)

##### Asia and the Pacific

Mr. Syed Mujtaba Hussain (Pakistan)  
 Mr. Ayman Shasly (Saudi Arabia)

##### Latin America and the Caribbean

Mr. Paul Herbert Oquist Kelley (Nicaragua)  
 Mr. Raymond Landveld (Suriname)

##### Least developed countries

Ms. Edith Kateme-Kasajja (Uganda)

##### Non-Annex I

Mr. Kyekyeku Yaw Oppong Boadi (Ghana)  
 Ms. Bernarditas Muller (Philippines)

##### Small island developing States

Ms. Diann Black Layne (Antigua and Barbuda)

## Annex II

[English only]

### Report on the first forum of the Standing Committee on Finance

#### I. Theme, programme and format

1. The first forum of the Standing Committee on Finance (SCF), as agreed by its members, took place on 28 May 2013 at the premises of Fira Barcelona in Barcelona, Spain, and was organized in collaboration with the World Bank Institute.
2. The main theme of the forum was “mobilizing finance and investments for climate action now”, as agreed by the SCF. It covered mitigation and adaptation aspects, as well as the tracking of climate finance. Special consideration was given to showcasing concrete practical experiences at the national and regional levels as well as case studies.
3. The forum consisted of two panel discussions and four follow-up group discussions. The panel discussions covered financing and investment drivers for mitigation and adaptation activities, respectively. The follow-up group discussions addressed: (a) innovative approaches and case studies of national, bilateral, regional and multilateral organizations and the private sector in providing funding and investments for mitigation; (b) innovative approaches and case studies of national, bilateral, regional and multilateral organizations and the private sector in providing funding and investments for adaptation; (c) the role of local investors in mobilizing additional climate finance; and (d) tracking climate finance.<sup>31</sup>

#### II. Participation, representation and resource persons

4. The forum attracted a wide range of different stakeholders, including representatives of Parties, financial institutions, national and multilateral development banks, governments, think tanks, non-governmental organizations, international organizations and academia. Overall, participation was high, with around 150 people having taken part in the event.
5. UNFCCC Executive Secretary, Ms. Christiana Figueres, State Secretary for the Environment at the Ministry of Agriculture, Food and Environment of Spain, Mr. Federico Ramos de Armas, and the Co-Chairs of the SCF, Ms. Diann Black-Layne and Mr. Stefan Schwager, concluded the forum.
6. A total of 33 resource persons were engaged in the forum, including facilitators and panellists. The panellists included representatives of the financial sector, private investors, multilateral and national financial institutions, international organizations and other relevant sectors.
7. The presentations made and a video recording of the forum are available on the virtual forum website.<sup>32</sup>

<sup>31</sup> The full forum programme and other relevant information are available at <https://unfccc.int/7561.php>.

<sup>32</sup> Available at <http://unfccc.int/7624.php>.

### III. Summary of the issues raised at the forum

8. The key issues raised at the first forum of the SCF are summarized below under the following themes: overview of climate finance flows; private-sector investments; demand-side issues – absorptive capacity; mobilizing finance and investments through market-based mechanisms; the role of local and regional actors; adaptation finance; and tracking climate finance.

#### 1. Overview of climate finance flows

9. Three presentations provided a comprehensive view from different perspectives of the scale and current flows of, and urgent needs for, climate finance.

10. The first speaker referred to various studies showing the extreme urgency of shifting investments to climate-relevant actions if the international community is to avoid crossing the dangerous threshold of a 2 °C temperature change. A point was raised related to the need to change paradigms, focusing on the short-term financial gain to avoid long-term catastrophe, and to prioritize finance over eco- and life-sustaining systems. The experience of Nicaragua was highlighted as a case study, an example of increasing renewable energy at the expense of traditional oil imports with comprehensive social involvement.

11. One presentation indicated that total climate finance flows in both developed and developing countries reached around USD 364 billion in 2010/2011. Climate finance coming from the private sector amounted to 75 per cent of the total climate finance flows, but public finance remained important as a catalyst for private finance. About one third of the total climate finance flowed through intermediary institutions, including multilateral, bilateral and national financing institutions.

12. With regard to climate finance provided to developing countries, another speaker pointed out that there is a large gap between the needs for financing, which are about USD 600 billion in 2020 and USD 3 trillion in 2050, and what is actually provided.

#### 2. Private-sector investments

13. Investment decisions are based on risk and return; hence there are four barriers to scaling up mitigation investments: policy risks; macroeconomic risks; the cash-flow profile of an investment; and liquidity, which is the capacity for investors to enter and exit investments cost-effectively.

14. Three approaches to mobilizing private-sector investments can be suggested, namely considering: what kind of instruments can deliver additional returns; ways to cheapen the debt; and ways to address the lack of initial seed capital, especially in small and medium-sized enterprises.

15. Lack of legal and regulatory frameworks is a fundamental barrier to encouraging private-sector investments in climate mitigation.

16. A credible measurement, reporting and verification system needs to be in place for the private sector to demonstrate project effectiveness.

17. There are several examples of how investments can reach small and medium-sized enterprises: (a) the Forest Investment Program, which is known as the first private-sector programme for activities on reducing emissions from deforestation and forest degradation; (b) investments in ‘greening’ the supply chain of multinational companies to reduce their greenhouse gas emissions; (c) regional green microfinance product coordination; and (d) private-equity investing for small businesses.

**3. Demand-side issues – absorptive capacity**

18. There is a shortage of bankable, monitorable and technically robust projects. Banks are typically risk averse; therefore, public policy should support projects through risk mitigation mechanisms. Technology certification and benchmarking are important for attracting financing.

**4. Mobilizing finance and investments through market-based mechanisms**

19. The clean development mechanism (CDM) has historically been a success, having mobilized USD 200 billion in investments. Key elements of the CDM infrastructure, such as scoping, baseline setting, the governmental process, information technology, the measurement, reporting and verification system and others, should be carried over into the future. The Green Climate Fund could, for instance, provide performance payments for the CDM to ensure returns for investors if the market does not work.

20. The CDM and nationally appropriate mitigation actions (NAMAs) are not mutually exclusive. A purely sectoral approach may put some countries at a disadvantage. Also, it is difficult to determine additionality and ensure environmental integrity in sectoral approaches.

21. There are niche opportunities for private-sector investments in climate-related projects, such as for example reducing emissions from gas flaring and the development of renewables. Investors engage in such projects because of the favourable policy environment, technology advancement and resource instability, rather than just for future carbon credits.

**5. The role of local and regional actors and institutional investors**

22. In the presentations, reference was made to the fact that a large share of investments for renewable energy in developing countries comes from developed countries. North–South investment flows for renewable energy amounted to around USD 8 billion in 2011, while total investments in renewable energy in developing countries reached USD 112 billion in the same year.

23. Institutional financiers have the potential to become the main investors in long-term climate finance. Institutional investors hold USD 70 trillion worth of assets. Local pension funds are growing, for instance in Asia (Malaysia and Thailand), and part of that money is invested abroad.

24. The role of national development banks is significant as they know the local conditions and business environments and can more easily find bankable projects in line with the country's priorities. National municipal banks are also instrumental in financing climate change activities, with existing examples of NAMAs relating to solid waste and public lighting.

25. Local banks have a larger role in financing large-scale projects, for instance the installation of solar water heaters on roofs. The advantage of local investors is that they can finance in local currency, which is a big challenge for international funds. However, local banks are not up to speed with international processes and face a number of challenges, such as lack of information, training and capacity-building.

26. Crowd-funding, or crowd-financing, can be a complementary source of microfinance for climate mitigation and adaptation. It should however be approached with caution as crowd-funding takes place between private players without any approval procedures.

## 6. Adaptation finance

27. The overall scale of adaptation finance is modest but it has increased significantly in recent years as part of fast-start finance. Two elements should be looked at: the scale of adaptation finance and the diversity of approaches. Experience so far shows that the use of the public sector for attracting private-sector financing for adaptation has been difficult and that the linkages between adaptation and development are complex. Adaptation finance has moved on from individual projects to more holistic approaches, such as addressing disaster risk reduction, food security, etc. Mitigation and adaptation are interlinked and can be mutually supportive; for instance, solar energy has mutual benefits.

28. Several new funds have been established recently including the Adaptation Fund, the Climate Investment Funds Pilot Program for Climate Resilience and bilateral schemes. Some funds have pioneering design features, but there is a need for more innovation when it comes to adaptation in practice.

29. The perception of risk differs in relation to mitigation and adaptation projects, as estimating the cost of mitigation is easier than for adaptation. The risks and uncertainties in adaptation projects are different from those in mitigation projects, for instance in relation to sea level rise.

30. In addition, it is difficult to assess the effectiveness of an adaptation project since the impacts of a successfully implemented project are not obviously apparent.

31. Three main elements to be taken into account in assessing the effectiveness of adaptation finance from the on-the-ground perspective are: (a) the development of a knowledgeable institution to fill literacy gaps among different ministries; (b) the enhancement of an enabling policy environment; and (c) tailor-made support for developing countries in promoting country ownership and coordination.

32. The need to work with diverse vulnerable groups, often at the household level, in the developing world poses constraints on adaptation financing.

33. Some of the lessons learned in relation to the financing of adaptation projects by multilateral financing institutions include: (a) the need to build ownership in developing countries at the national level; (b) the need for high-level support and the engagement of ministries of finance in applying a programmatic and cross-sectoral approach; (c) the need to enhance partnership between multilateral development banks and a wider range of stakeholders at the national level; (d) the need for linkages with private-sector investment; and (e) that there is controversy when it comes to adaptation finance in the form of loans.

## 7. Tracking climate finance

34. Current estimates of the levels of climate finance mobilized by developed countries for mitigation and adaptation activities in developing countries are patchy and incomplete. The recent analysis by the Climate Change Expert Group highlights that those estimates are also not comparable, owing to the different definitions used by different actors.

35. There is no single point on the 'supply side' of climate finance where measuring, reporting and verifying could occur, without the risk of either missing some money flows or double counting others. It would therefore be useful to explore the possibility of increased reporting of the climate finance received.

36. The relevant panel considered that the SCF could assist in making the tracking of climate finance more comparable, complete, credible and efficient by:

(a) Developing working definitions of the activities, flows and interventions that comprise mobilized climate finance;

- (b) Focusing tracking efforts on the most uncertain areas (private climate finance and inflows);
- (c) Encouraging the provision of data on both inflows and outflows of mobilized climate finance;
- (d) Building on tracking efforts which are already under way, for example the Rio markers of the Development Assistance Committee of the Organisation for Economic Co-operation and Development and the multilateral development banks' joint initiative, as well as using the tools available for the reporting of financial flows under the UNFCCC, such as biennial reporting.



## Annex III

[English only]

### **Draft arrangements between the Conference of the Parties and the Green Climate Fund**

#### Preamble

Recalling Conference of the Parties (COP) decisions 1/CP.16, paragraph 102, and 3/CP.17, paragraphs 3–5, as well as the governing instrument for the Green Climate Fund (GCF), paragraphs 3–6.

Recognizing that the provisions contained in Article 11, paragraph 3, of the Convention, decision 3/CP.17 and the governing instrument for the GCF contained in the annex to 3/CP.17 form the basis for arrangements between the COP and the GCF.

The Conference of the Parties (hereinafter referred to as “the COP”) to the United Nations Framework Convention on Climate Change (hereinafter referred to as “the Convention”) and the Green Climate Fund (hereinafter referred to as the “GCF”) hereby reach the following arrangements:

#### Purpose of these arrangements

1. The purpose of these arrangements is to set out the working relationship between the COP and the GCF to ensure that the GCF is accountable to and functions under the guidance of the COP to support projects, programmes, policies and other activities in developing country Parties.

#### Determination and communication of guidance from the Conference of the Parties

2. The GCF shall receive guidance from the COP, including on matters related to policies, programme priorities and eligibility criteria.
3. The COP will, after each of its sessions, communicate guidance to the GCF.
4. The COP will provide guidance based, inter alia, upon a thorough consideration of the annual reports of the GCF.

#### Conformity with guidance of the Conference of the Parties

5. The GCF will take appropriate actions in response to the guidance received and will report on such actions taken.

#### Reconsideration of funding decisions

6. These arrangements reaffirm that the Board of the GCF has full responsibility for funding decisions.
7. The Board of the GCF has been mandated by paragraph 69 of the governing instrument to establish an independent redress mechanism that will report to the Board.

8. The independent redress mechanism will be open, transparent and easily accessible and will address, inter alia, the reconsideration of funding decisions.
9. The GCF will include in its annual reports to the COP the recommendations of its independent redress mechanism, and any action taken by the Board of the GCF in response to those recommendations. The COP may provide additional guidance to clarify policies, programme priorities and eligibility criteria as they impact funding decisions.
10. Further modalities for the reconsideration of funding decisions as per Article 11, paragraph 3(b), will be developed appropriately once the independent redress mechanism is operational.

#### Reports from the Green Climate Fund to the Conference of the Parties

11. The GCF is to submit annual reports to the COP for its consideration. Such annual reports shall include information on the implementation of policies, programme priorities and eligibility criteria provided by the COP, including information on the extent to which COP guidance has been adhered to by the Board of the GCF.
12. The GCF will include in its reports a synthesis of the different activities under implementation and a listing of the activities approved, as well as a financial report.
13. The GCF will also include in its reports information on all activities financed by the GCF.
14. The GCF will indicate in its reports actions it has undertaken to balance the allocation of resources between adaptation and mitigation activities under the Fund.
15. The GCF will also include information on the development and implementation of mechanisms to draw on appropriate expert and technical advice, including from the relevant thematic bodies established under the Convention, as appropriate.
16. The COP may request additional information from the GCF via its annual guidance.

#### **Determination and periodic review of funding necessary and available**

17. In accordance with Article 11, paragraph 3(d), of the Convention, which calls for arrangements to determine in a predictable and identifiable manner the amount of funding necessary and available for the implementation of the Convention, and the conditions under which that amount shall be periodically reviewed:
  - (a) The COP will make assessments of the amount of funds that are necessary to assist developing countries in implementing the Convention, in order to help inform resource mobilization by the GCF;
  - (b) The GCF is to provide information on resource mobilization and the available financial resources, including any replenishment processes, in its annual reports to the COP.

#### Cooperation between secretariats and representation in meetings of the governing bodies

18. The secretariat of the GCF and the secretariat of the Convention may, as necessary and subject to the direction of the Board of the GCF and the COP, respectively, cooperate and exchange views on matters relevant to the operation of the financial mechanism of the Convention, including implementation of these arrangements between the COP and the GCF, coordination with other international

financing channels and participation of representatives at relevant meetings of the bodies.

19. The participation of representatives of the secretariat of the Convention in the meetings of the GCF, and of the secretariat of the GCF in the sessions of the COP, is to be governed by the rules of procedure of the GCF and the COP, respectively.

#### Review and evaluation of the financial mechanism

20. The reports of the GCF should include any reports of the independent evaluation unit, including for the purposes of the periodic reviews of the financial mechanism of the Convention.

21. The COP may commission an independent assessment of the overall performance of the GCF, including of the performance of the Board of the GCF, to coincide with periodic reviews of the financial mechanism.

22. The COP will invite feedback from the GCF in advance of making any conclusions or findings from the review or evaluation of the financial mechanism.

#### Review of these arrangements

23. These arrangements can only be modified in writing by agreement between the COP and the GCF.

24. These arrangements shall come into force upon agreement by the GCF and subsequent agreement by the COP.

25. These arrangements may only be terminated in writing by agreement between the COP and the GCF.

## Annex IV

[English only]

## Outcome of the discussions on the draft updated guidelines for the fifth review of the financial mechanism of the Convention<sup>33</sup>

### A. Objectives

#### 1. In accordance with Article 11.4 of the Convention, the objectives will be as follows:

- (a) To review the financial mechanism and take appropriate measures regarding:
  - (i) Its conformity with the provisions of Article 11 of the Convention and the guidance of the Conference of the Parties (COP);
  - (ii) The effectiveness of the activities it funds in implementing the Convention;
  - (iii) Its effectiveness in providing financial resources on a grant or concessional basis, including for the transfer of technology, for the implementation of the Convention's objective on the basis of the guidance provided by the COP;
  - (iv) Its effectiveness in providing new and additional [and, as appropriate, adequate and predictable] resources to developing country Parties under Article 4.3 of the Convention;
  - (v) Effectiveness of access modalities for developing countries, in particular direct access;
  - (vi) The coherence and complementarity between the different operating entities of the financial mechanism in order to contribute to a global paradigm shift toward a low-[GHG] emission and climate-resilient development pathway;
  - (vii) The principles and practice for the allocation of funds through the financial mechanism;
- (b) To examine how to improve consistency and complementarity of the financial mechanism with other sources of investment and financial flows, including:
  - (i) Examining relevant sources, channels and means of financing, as indicated in Article 11, paragraph 5, of the Convention, availed of by developing countries to contribute to the achievement of the objectives of the Convention and conformity with COP guidance;
  - (ii) Examining the role of the financial mechanism in identifying pathways for scaling up the level of resources;
  - (iii) Assessing enabling environments of all Parties for catalysing investment in, and the transfer of, environmentally sound technologies that mitigate greenhouse gas emissions, and for adapting to the adverse effects of climate change.

<sup>33</sup> Based on the results of the discussions that took place during the 5<sup>th</sup> meeting of the Standing Committee on Finance (SCF) and incorporating additional inputs from some members of the SCF thereafter.

## **B. Sources of information**

### **1. The review shall draw upon, inter alia, the following sources of information:**

- (a) Information provided by the Parties on their experiences regarding the financial mechanism [on support provided and received in accordance with COP decisions];
- (b) Annual reviews by the COP on the conformity of the activities of the financial mechanism with the guidance of the COP;
- (c) The annual report of the Standing Committee on Finance (SCF) to the COP on its activities and other relevant information documents regarding the SCF[, including expert inputs through independent reviews and assessments for the preparation and conduct of the periodic reviews of the financial mechanism];
- (d) The annual report of the Global Environment Facility (GEF) to the COP on its activities as an operating entity of the financial mechanism, including the information on the Least Developed Country Fund and the Special Climate Change Fund, and other relevant GEF policy and information documents;
- (e) The reports from the GEF evaluation office;
- (f) The annual report of the Green Climate Fund (GCF) to the COP on its activities as an operating entity of the financial mechanism and other relevant GCF policy and information documents;
- (g) The report of the Adaptation Fund Board to the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol and the outcomes of the initial review of the Adaptation Fund;
- (h) The outcomes and reports from the United Nations processes, relevant bilateral and multilateral funding institutions, other intergovernmental and non-governmental organizations dealing with climate change financing;
- (i) Relevant reports on private-sector financing and investment for climate change activities;
- (j) Technical papers and reports prepared by the secretariat upon the request of the Conference of the Parties, which are relevant to the financial needs of developing countries under the Convention;
- (k) Information contained in the national communications of Parties to the Convention, technology needs assessments and national adaptation programmes of action;
- (l) Information on fast-start finance provided by developed country Parties and other information on fast-start finance;
- (m) The reports of the work programme on long-term finance [and REDD+ finance work programme];
- (n) The reports of the LDC Expert Group (LEG) and the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE).

## C. Criteria

### 1. The effectiveness of the financial mechanism will be assessed taking into account the following:

- (a) The transparency of decision-making processes of operating entities under the Convention and its Protocol;
- (b) The level of stakeholder [involvement] in the decision making processes of operating entities under the Convention;
- (c) The adequacy, predictability, accessibility, equitability and timely disbursement of funds for activities in developing country Parties;
- (d) The responsiveness and efficiency of the GEF project cycle and expedited procedures, including its operational strategy, as they relate to climate change;
- (e) The amount of [resources provided [and received]][impacts achieved] to developing country Parties, including financing for technical assistance and investment projects, and the mechanisms for country allocation;
- (f) The amount and the extent of accessibility of finance leveraged by and from different sources, including from the private sector, and modalities of co-financing when applicable;
- (g) [The results and impacts achieved with the resources provided [and their sustainability];]
- (h) The sustainability of [the results and impacts achieved through] funding operations in developing country Parties;
- (i) The extent to which the financial mechanism is contributing to a global paradigm shift toward a low-[GHG] emission and climate-resilient development pathway [in the context of sustainable development];
- (j) The extent to which the resources that flow through the financial mechanism were used to identify innovative projects that could be used for dissemination and how lessons learnt from projects were generated and distributed;
- (k) The extent to which projects presented by recipient countries for financing are consistent with low-[GHG] emissions development strategies and national adaptation plans developed pursuant to decision 1/CP.16;
- (l) Progress by all Parties in improving enabling environments for catalyzing investment in, and the transfer of, sustainable technologies that mitigate greenhouse gas emissions, and for enhancing resilience to climate change;
- (m) The relative effectiveness and operational efficiency of Convention funds in delivering support compared to other multilateral climate finance channels.

## Annex V

[English only]

## Elements of draft guidance to the Global Environment Facility

Table 1

Elements of draft guidance to the Global Environment Facility

<i>Element</i>	<i>Potential inputs</i>
Policies, programme priorities and eligibility criteria	<p><i>Requests</i> the Global Environment Facility:</p> <ul style="list-style-type: none"> <li>(a) To allocate resources for the full implementation of at least three of the already submitted national adaptation programme of action projects on a first-come-first-served basis, in addition to funding for the activities of the least developed countries aimed at formulating national adaptation programmes of action which have not been submitted;</li> <li>(b) To increase the number of supported nationally appropriate mitigation action projects from three, reported in the 2012/2013 financial year, to six in the 2014/2015 financial year;</li> <li>(c) To intensify efforts in raising awareness about the need for adequate and predictable financial resources to be put into the Least Developed Countries Fund for the full implementation of least developed countries' prioritized work programmes, including the implementation of national adaptation programme of action projects;</li> </ul>
Replenishments	<p><i>Requests</i> the Global Environment Facility to consider, in developing the strategy for its sixth replenishment, its role within the evolving finance architecture under the Convention, especially with regard to its respective role in the light of the operationalization of the Green Climate Fund;</p> <p><i>Reaffirms</i> that the Global Environment Facility will indicate how it has responded during the replenishment cycle to the previous assessment of the Conference of the Parties prepared in accordance with paragraph 1 of the annex to the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility (determination of funding necessary and available);</p>
Emerging matters	<i>Requests</i> the Global Environment Facility to continue to pay particular attention to the specific needs and special situations of the least developed countries and, in particular, to ensure that more funds are allocated to projects and programmes in the block of countries that have up to now received less than their fair share of the allocated funds;
Guidance from the Conference of the Parties (COP)	<i>Calls on</i> other thematic bodies under the Convention to closely cooperate with the Standing Committee on Finance so that it can guide and support clarification and the reduction of repetition, as well as facilitate future work on the guidance to be provided to the operating entities of the financial mechanism of the Convention;

<i>Element</i>	<i>Potential inputs</i>
Accountability	<i>Requests</i> the Subsidiary Body for Implementation to identify, at its fortieth session, how the compliance of the Global Environment Facility with the guidance of the Conference of the Parties can be measured;
Response of the Global Environment Facility (GEF) to the guidance of the COP	<i>Welcomes</i> the inclusion of information on mitigation impacts in the report of the Global Environment Facility; <i>Also welcomes</i> the response of the Global Environment Facility to the guidance of the Conference of the Parties with regard to the duration of the project cycle; <i>Encourages</i> the Global Environment Facility to continue to improve in that regard;
Flexibility and unavailability of funding	<i>Requests</i> the Global Environment Facility to take into consideration room for flexibility in order to address emerging mandates and/or requests from the Conference of the Parties for the next replenishment period;
Reconsideration of funding decisions	<i>Requests</i> the Global Environment Facility to include, in its report to the Conference of the Parties at its twentieth session, information on the modalities that it has established in response to paragraph 5 of the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility;
Positive mitigation effects of the GEF project portfolio	<i>Encourages</i> the Global Environment Facility to ensure that all activities in the context of its project portfolio entail positive impacts on the reduction of greenhouse gas emissions;
Communication and interaction	<i>Encourages</i> the Standing Committee on Finance to continue its close partnership with the Global Environment Facility in order to improve the guidance provided to the Global Environment Facility;
Report of the GEF	<i>Requests</i> the Global Environment Facility to include, in its report and for the consideration of the Global Environment Facility Evaluation Office, information on the role and performance of its implementing agencies, as viewed by recipient countries and in response to the request of the Conference of the Parties contained in decision 2/CP. 4, paragraphs 4 and 5; <i>Invites</i> the Global Environment Facility to consider the provision of annual reports on an annual year basis (1 January to 31 December) in order to facilitate the work of the Standing Committee on Finance on the guidance to be provided to the Global Environment Facility;
Special Climate Change Fund (SCCF)	<i>Requests</i> the Global Environment Facility to further specify steps that it has undertaken to implement the provisions contained in decision 9/CP.18, paragraphs 1(c) (requesting the GEF, as an operating entity of the financial mechanism, through the SCCF, to consider how to enable activities for the preparation of the national adaptation plan (NAP) process for interested developing country Parties that are not least developed countries, as it requested the GEF, through the Least Developed Countries Fund, to consider how to enable activities for the preparation of the NAP process for the least developed countries) and 3 (requesting the GEF to include information in its annual report to the COP on further steps taken and the amount of resources made available under the SCCF for the implementation of the provisions contained in that decision, including in paragraph 5);
National communications	<i>Encourages</i> interested Parties to identify what amount of funding is needed for the preparation of national communications, in order to address insufficient funding at this point in time;
Biennial update reports	<i>Requests</i> the Global Environment Facility to consider whether the agreed costs for the preparation of biennial update reports are adequate and to report back to the Conference of the Parties at its twentieth session.



## Annex VI

[English only]

### Elements of draft initial guidance to the Green Climate Fund

Table 2

#### Elements of draft initial guidance to the Green Climate Fund

<i>Element</i>	<i>Textual suggestions</i>
Preambular paragraphs	<p><i>The Conference of the Parties,</i></p> <p><i>Recalling</i> Article 11, paragraph 1, of the Convention,</p> <p><i>Taking into account</i> decision 11/CP.1,</p> <p><i>Recalling</i> decisions 1/CP.16, paragraph 102, 3/CP.17, including the governing instrument of the Green Climate Fund (decision 3/CP.17, annex), 6/CP.18 and 7/CP.18,</p> <p><i>Decides</i> to adopt the following initial guidance on policies, programme priorities and eligibility criteria for the Green Climate Fund, as an operating entity of the financial mechanism of the Convention;</p>
Programme priorities	<p><i>Confirms</i> that the Green Climate Fund will be guided, inter alia, by the following programme priorities:</p> <p>(a) The Board of the Green Climate Fund will balance the allocation of resources between adaptation and mitigation activities under the Green Climate Fund and ensure an appropriate allocation of resources for other activities;</p> <p>(b) In allocating resources for adaptation, the Green Climate Fund will take into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change, including the least developed countries, small island developing States and African States, using minimum allocation floors for those countries, as appropriate. The Board of the Green Climate Fund will aim for an appropriate geographical balance;</p> <p>(c) The Green Climate Fund will support developing countries in pursuing project-based and programmatic approaches in accordance with their climate change strategies and plans, such as low-emission development strategies or plans, nationally appropriate mitigation actions, national adaptation programmes of action, national adaptation plans and other related activities;</p> <p>(d) The Board of the Green Climate Fund shall also ensure adequate resources for capacity-building and technology development and transfer. The Green Climate Fund will also provide resources for innovative and replicable approaches;</p> <p><i>Requests</i> the Green Climate Fund:</p> <p>(a) To prioritize the balancing of the allocation of resources between adaptation and mitigation, ensuring an appropriate allocation of resources for other activities (decision 3/CP.17, annex, paragraph 50), taking into account the country-driven approach to be pursued by the Fund;</p> <p>(b) To base funding on the agreed full incremental cost of the implementation of developing countries' commitments under Article 4, paragraph 1, of the Convention and to provide essentially grant-based funding for meeting adaptation costs in accordance with Article 4, paragraphs 4 and 9, of the Convention;</p>

Element	Textual suggestions
	<p>(c) To establish an indicative list of incremental cost funding, where feasible and in consultation with the recipient countries;</p> <p>(d) To provide the necessary resources for the deployment and diffusion of environmentally sound technologies, including their development, application and transfer (Article 4, paragraphs 1(c) and 5, of the Convention), as well as capacity-building and the enhancement of the endogenous capacities and technologies of developing country Parties;</p> <p>(e) To also provide the necessary resources for activities identified through decisions of the Conference of the Parties on Articles 5 (research and systematic observation) and 6 (education, training and public awareness) of the Convention;</p> <p>(f) To fund the agreed full cost of the preparation of national communications by developing country Parties and any other obligations for reporting provided for in decisions of the Conference of the Parties, such as the biennial update reports (decision 2/CP.17, paragraph 41(e));</p> <p>(g) To set up expert groups and technical panels in coordination with the Adaptation Committee and the Technology Executive Committee to assist in addressing specific adaptation and technology needs identified for funding by developing country Parties;</p> <p>(h) To prioritize technology transfer, capacity-building, national adaptation programme of action projects, national public awareness and education and national adaptation plan activities when financing decisions are being taken;</p>
Resource allocation	<i>Requests</i> the Board of the Green Climate Fund to give full consideration to transparency and equity in the design of resource allocation methodologies for the Green Climate Fund;
Policies	<p><i>Confirms</i> that the Green Climate Fund will be guided, inter alia, by the following policies contained in the governing instrument of the Green Climate Fund (decision 3/CP.17, annex) as approved by the Conference of the Parties:</p> <p>(a) The Green Climate Fund will have thematic funding windows. Initially, it will have windows for adaptation and mitigation. An integrated approach to funding mitigation and adaptation will be used to allow for cross-cutting projects and programmes;</p> <p>(b) The Green Climate Fund will provide simplified and improved access to funding, including direct access, basing its activities on a country-driven approach, and will encourage the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects;</p> <p>(c) The Green Climate Fund will have a streamlined programming and approval process to enable timely disbursement of funds. The Board of the Green Climate Fund will develop simplified processes for the approval of proposals for certain activities, in particular small-scale activities;</p> <p>(d) The Green Climate Fund will provide financing in the form of grants and concessional lending, as well as through other modalities, instruments or facilities as may be approved by its Board. Financing will be tailored to cover the identifiable additional costs of the investment necessary to make the project viable. The Green Climate Fund will seek to catalyse additional public and private finance through its activities at the national and international levels;</p> <p>(e) The Green Climate Fund may employ results-based financing approaches, including, in particular for incentivizing mitigation actions, payment for verified results, where appropriate;</p> <p>(f) The Green Climate Fund will have a private-sector facility that enables it to directly and indirectly finance private-sector mitigation and adaptation activities at the national, regional and international levels;</p> <p>(g) The Board of the Green Climate Fund will agree on, adopt and ensure the application of best-practice fiduciary principles and standards in relation to the Green Climate Fund's entities, the trustee's function related to the Green Climate Fund and to all operations, projects and programmes financed by the Green Climate Fund, including its implementing entities;</p>

Element	Textual suggestions
Eligibility criteria	<p>(h) The Board of the Green Climate Fund will agree on and adopt best-practice environmental and social safeguards, which shall be applied to all programmes and projects financed using the resources of the Fund;</p> <p><i>Requests</i> the Green Climate Fund:</p> <p>(a) In line with the country-driven approach to be pursued by it (paragraph 3 of the governing instrument), to ensure recipient country involvement during all stages of the identification, definition and implementation of projects and programmes, rendering it truly demand-driven;</p> <p>(b) To establish the necessary policies and procedures to enable an early replenishment process, taking into account the importance of appropriate burden-sharing among developed country Parties (Article 4, paragraph 3, of the Convention);</p> <p>(c) To promote the scaling up and mobilization of resources that are new and additional, predictable and accessible;</p> <p>(d) To facilitate linkages between the various funding sources and separate funds in order to promote access to the variety of available funding sources and reduce the fragmentation of those resources;</p> <p>(e) To enable a shift from a project-based to a programmatic approach, where appropriate and with the involvement of recipient countries, in order to make optimal use of the full range of means of implementation available and to allow for the implementation at scale of projects and programmes;</p> <p>(f) To maintain consistency with this initial guidance and any further guidance to be provided by the Conference of the Parties in all activities, including those related to funding relevant to climate change activities undertaken outside the framework of the financial mechanism as identified in decision 11/CP.1, paragraph 2(a);</p> <p>(g) To provide essentially grant-based funding, in particular for adaptation, without prejudice to certain concessional loan arrangements in an appropriate form, to meet the needs of a specific project or programme;</p> <p>(h) To promote direct access, modalities and accreditation as laid out in paragraphs 45–49 of the governing instrument of the Green Climate Fund, including the consideration of additional modalities that further enhance direct access (paragraph 47 of the governing instrument);</p> <p><i>Reiterates</i> that:</p> <p>(a) The establishment of evaluation and accountability mechanisms as provided for in paragraphs 60 and 67–69, respectively, of the governing instrument of the Green Climate Fund are vital for the Fund’s operationalization. The development of an information disclosure policy is particularly important to ensure that there is no conflict of interest between the policy and decision makers of the Fund, as well as the institutions serving the Fund and the financial intermediaries/institutions that would be considered to channel or handle Green Climate Fund funds for projects and/or programmes in developing country Parties;</p> <p>(b) The expedited establishment of thematic funding windows, initially windows for adaptation and mitigation, should be undertaken (paragraph 37 of the governing instrument), as well as the provision of adequate resources for capacity-building and technology development and transfer related to those windows;</p> <p><i>Confirms</i> that all developing country Parties to the Convention are eligible to receive resources from the Green Climate Fund and that the Fund will finance the agreed full and agreed incremental costs for activities to enable and support enhanced action on adaptation, mitigation (including REDD-plus), technology development and transfer (including carbon capture and storage), capacity-building and the preparation of national reports by developing country Parties;</p> <p><i>Decides</i> that:</p>

Element	Textual suggestions
	<p>(a) The specific situations of developing country Parties that are particularly vulnerable to the adverse effects of climate change, such as low-lying and other small island countries, countries with low-lying coastal, arid and semi-arid areas liable to drought, desertification, in particular in Africa, and floods, and developing countries with fragile mountain ecosystems, are to be given special consideration in the provision of resources (preamble of the Convention, paragraph 19, and Article 4, paragraph 1(e), of the Convention);</p> <p>(b) The specific needs and concerns of developing country Parties as laid out in Article 4, paragraphs 8 and 9, of the Convention should be taken into account in the provision of funding and the transfer of technology;</p>
Technology transfer and capacity-building	
Direct access	<p><i>Welcomes</i> the decision of the Board of the Green Climate Fund to consider enhanced direct access through funding entities at its first meeting in 2014, expressing the importance that it attaches to that access modality;</p> <p><i>Requests</i> the Board of the Green Climate Fund to expedite the operationalization of enhanced direct access, inter alia, through a dedicated institutional capacity-building effort;</p> <p><i>Decides</i> that the Green Climate Fund should support the least developed countries to have direct access to funds through the use of national implementing entities, so as to cut costs associated with third-party involvement and thus enable meaningful implementation of projects;</p>
Emerging issues	<p><i>Reiterates</i> that there is a need for clarity, transparency and equity in the resource allocation system of the Green Climate Fund;</p> <p><i>Decides</i> that the Green Climate Fund should strategize on which roles it will take on, considering that the Global Environment Facility is in existence as an operating entity of the financial mechanism of the Convention;</p>
Resource mobilization	<p><i>Requests</i> the Green Climate Fund to strive to mobilize adequate and predictable financial resources to support the activities of the least developed countries to address climate change in those countries;</p> <p><i>Requests</i> the Green Climate Fund to report to the Conference of the Parties all relevant information on funding resources, the nature and the amount of funds by source (i.e. public and private, including alternative sources) and the timing of the funds received. The Board of the Green Climate Fund shall ensure that such information has been included in the annual audited financial statement of the Green Climate Fund, as applicable. The report of the Green Climate Fund to the Conference of the Parties shall elaborate on the determination, projection and predictability of funds by source for the following year. The Conference of the Parties, taking into account paragraphs 29 and 30 of the governing instrument of the Green Climate Fund, will provide guidance to the Green Climate Fund on resource mobilization, funding amount and sources, in order to ensure the effective implementation of Article 11, paragraph 3(d), of the Convention.</p>

## Annex VII

[English only]

### Objective and scope of, and tentative timeline for, the first biennial assessment and overview of climate finance flows

#### A. Objective

1. Mandate (decision 2/CP.17, paragraph 121(f); decision 1/CP.18, paragraph 71; and decision 5/CP.18, paragraph 11).
2. Provide an overview and assessment of climate finance flows.
3. Identify gaps and limitations.
4. Strengthen reporting/information on climate finance.

#### B. Scope

##### 1. Overview of climate finance (2007–2012, with a focus on the fast-start finance period 2010–2012)

5. Stocktake/overview of the big picture in terms of climate finance: synthesis/analysis of existing climate finance literature; all sectors and sources (public and private); all types of international support; and fast-start finance (FSF).
6. Information on geographical and thematic aspects.
7. Metadata and metastudy.
8. Focus on tracking trends since 2007/2008 (UNFCCC investment and financial flows to address climate change: 2007 update, and 2010–2012 FSF period).

##### 2. Assessment of climate finance flows

9. Assessment against criteria/goals (FSF; thematic balance; geographical distribution; 2 °C goal; carbon dioxide impact/performance; country needs/priorities/ownership; and access modalities).

Table 3

#### Tentative timeline for the first biennial assessment

<i>Time frame</i>	<i>Activities</i>
5 <sup>th</sup> meeting of the SCF	Agreement on the scope of and modalities and timeline for the first BA to be included in the report of the SCF to COP 19; establishment of the SCF open-ended working group on the first BA
Ongoing	Intersessional work, making use of online tools
September 2013	Agreement on the structure of the report on the first BA and key data sources
October 2013	Secretariat/consultant starts literature review and data collection/organization

<i>Time frame</i>	<i>Activities</i>
November 2013	COP 19: review and endorsement of the scope of and draft work programme and timeline for the first BA
January 2014	Deadline for submissions from external partners
February/March 2014	Secretariat/consultant finalizes zero-order draft of climate finance overview
February/March 2014 (6 <sup>th</sup> meeting of the SCF)	Discussion of SCF on zero-order draft of climate finance overview and guidance on completing the assessment Possible meeting with external technical experts to discuss the overview
May 2014	Completion of zero-order draft of the report on the first BA (overview + assessment) for internal review
May/June 2014 (7 <sup>th</sup> meeting of the SCF)	Discussion of SCF on zero-order draft of the report on the first BA (overview + assessment) Possible meeting with external technical experts to discuss zero-order draft
July 2014	Circulation of first-order draft for external review
August 2014	Revision of the draft report on the basis of external review comments
September 2014	Circulation of final draft report to members of the SCF for review
October 2014 (8 <sup>th</sup> meeting of the SCF)	SCF to finalize and agree on the report on the first BA
December 2014	COP 20

*Abbreviations:* BA = biennial assessment, COP = Conference of the Parties, SCF = Standing Committee on Finance.

## Annex VIII

[English only]

### Workplan of the Standing Committee on Finance for 2014–2015

Table 4

#### Workplan of the Standing Committee on Finance for 2014–2015

<i>Activities</i>	<i>Outcome/results</i>	<i>Time frame</i>
<b>1. Mandated activities of the Standing Committee on Finance (SCF) as per decision 2/CP.17, paragraph 121</b>		
(a) Organize a forum for the communication and continued exchange of information among bodies and entities dealing with climate change finance in order to promote linkages and coherence	Second in-person forum meeting and further enhancement of the virtual online forum	Mid 2014: second in-person forum Ongoing: activities of the virtual forum
	Established linkages and continued exchange with bodies and entities dealing with climate finance, internal and external to the Convention	Mid 2014: in-person forum Ongoing outreach activities of the virtual forum
(b) Maintaining linkages with the Subsidiary Body for Implementation (SBI) and the thematic bodies of the Convention	Co-Chairs of the SCF to meet presiding officers of the thematic bodies of the Convention	Beginning of 2014
	Established linkages with the SBI and thematic bodies of the Convention	Ongoing
(c) Providing to the Conference of the Parties (COP) draft guidance to the operating entities of the financial mechanism of the Convention, with a view to improving the consistency and practicality of such guidance, taking into account the annual reports of the operating entities and relevant submissions from Parties	Draft guidance provided to the COP	COP 20 onwards
(d) Making recommendations on how to improve the coherence, effectiveness and efficiency of the operating entities of the financial mechanism	Recommendations provided to the COP, as appropriate	Sessions of the COP
(e) Providing expert input, including through independent reviews and assessments, into the preparation and conduct of the periodic reviews of the financial mechanism by the COP	Inputs provided to the fifth review of the financial mechanism	COP 20

<i>Activities</i>	<i>Outcome/results</i>	<i>Time frame</i>
(f) Preparing a biennial assessment, overview of climate finance flows, to include information on the geographical and thematic balance of such flows	Report on first biennial assessment Second biennial assessment initiated in 2015	COP 20 Outcome possibly at COP 22
<b>2. Further mandates of the SCF as per various decisions adopted at COP 18</b>		
<i>Decision 1/CP.18, paragraph 70:</i> implementing 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	Second in-person forum	Mid 2014
<i>Decision 1/CP.18, paragraph 71:</i> in initiating the first biennial assessment and overview of climate finance flows, to take into account relevant work by other bodies and entities on the measurement, reporting and verification of support and the tracking of climate finance	First biennial assessment	COP 20
<i>Decision 5/CP.18, paragraph 11:</i> in preparing the first biennial assessment and overview of financial flows, to consider ways of strengthening methodologies for reporting climate finance	Recommendations provided to COP 20 on ways to strengthen methodologies for reporting climate finance	COP 20
<i>Decision 8/CP.18, paragraph 3:</i> providing periodic updates on the status of its work relating to the fifth review of the financial mechanism to the SBI for its consideration, beginning at SBI 38, with the aim of ensuring an inclusive and transparent process	Periodic updates provided on the status of work relating to the fifth review of the financial mechanism	Each session of the SBI during 2014
<b>3. Functions of the SCF as per decision 1/CP.16, paragraph 112</b>		
Improving coherence and coordination in the delivery of climate change financing, including the undertaking of analyses and information exchanges	Recommendations provided to the COP, as appropriate Exchanges through the forum, as appropriate	Sessions of the COP, ongoing
Rationalization of the financial mechanism, including the undertaking of analyses and information exchanges	Recommendations provided to the COP, as appropriate Exchanges through the forum, as appropriate	Sessions of the COP, ongoing
Mobilization of financial resources, including the undertaking of analyses and information exchanges	Recommendations provided to the COP, as appropriate Exchanges through the forum, as appropriate	Sessions of the COP, ongoing
Measurement, reporting and verification of the support provided to developing country Parties, including the undertaking of analyses and information exchanges	Recommendations provided to the COP, as appropriate Exchanges through the forum, as appropriate	Sessions of the COP, ongoing
<b>4. Other functions assigned by the COP</b>		
Any other functions that may be assigned to the SCF by the COP	-	-