

Eighth meeting of the Standing Committee on Finance

1-3 October 2014

Bonn, Germany

Agenda

1. Opening of the meeting.
 2. Organizational matters.
 3. Biennial assessment and overview of climate finance flows.
 4. Fifth review of the financial mechanism.
 5. Forum of the Standing Committee on Finance:
 - (a) Outcome of the 2014 Forum on mobilizing adaptation finance;
 - (b) 2015 Forum on financing for forests.
 6. Draft guidance to the operating entities of the financial mechanism.
 7. Coherence and coordination: the issue of financing for forests, taking into account different policy approaches.
 8. MRV of finance beyond the biennial assessment and overview of climate finance flows.
 9. Report of the Standing Committee on Finance to the twentieth session of the Conference of the Parties.
 10. Other matters:
 - (a) Date and venue of next meeting;
 - (b) Report of the eighth meeting of the Standing Committee on Finance.
 11. Closure of the meeting.
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Annotations to the agenda

1. Opening of the meeting

1. The eighth meeting of the Standing Committee on Finance (SCF) will be opened by the co-chairs on Wednesday, 1 October 2014.

2. Organizational matters

(a) Adoption of the agenda

2. The provisional agenda was prepared by the co-chairs with the assistance of the secretariat, and was circulated to the SCF prior to the meeting.
3. *Action:* The SCF may wish to adopt the agenda for its eighth meeting.

SCF/2014/8/1	<i>Provisional agenda for the Eighth Meeting of the Standing Committee on Finance</i>
SCF/2014/8/2	<i>Provisional agenda and annotations for the Eighth Meeting of the Standing Committee on Finance</i>

(b) Organization of the work of the meeting

4. *Background:* The eighth meeting of the SCF will be held from 1 to 3 October 2014 in Bonn, Germany. A detailed tentative schedule of the meeting is annexed to this document. The meeting will be open to attendance by observers from Parties and accredited observer organizations, except where otherwise decided by the SCF. Additionally, the meeting of the SCF will be webcasted. The SCF may decide at any time that a meeting or part thereof should be closed to observers and the webcast should be interrupted.
5. *Action:* The SCF will be invited to agree on the organization of the work of the meeting.

3. Biennial assessment and overview of climate finance flows

6. *Background:* COP 17 decided that the SCF shall assist the COP in exercising its functions with respect to the financial mechanism (FM) of the Convention in terms of measurement, reporting and verification (MRV) of support provided to developing countries including through preparing a biennial assessment and overview of the climate finance flows (BA).
7. The working group on the BA, established by the SCF and facilitated by Ms. Outi Honkatukia and Mr. Seyni Nafo, progressed its work on the report of the BA inter-sessionally based on the feedback received from SCF members during and after the seventh meeting of the SCF, as well as the second informal mini-workshop that was organized on the margins of the seventh SCF meeting.¹
8. *Action:* The SCF will be invited to consider the background paper with a view to agreeing on the conclusions, as well as recommendations to be included in the SCF report to COP 20 based on the outcomes of its first BA. Furthermore, the SCF will be invited to agree on its outreach approach to raise awareness of the outcomes of its first BA.

SCF/2014/8/3	<i>Background paper on the outcomes of the first biennial assessment and overview of climate finance flows</i>
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4. Fifth review of the financial mechanism

9. *Background:* COP 18 initiated the fifth review of the FM. At COP 19, Parties adopted the updated guidelines for the fifth review of the FM, as contained in the annex to decision 8/CP.19, and requested the SCF to continue to provide expert input to the fifth review of the FM, with a view to the review being finalized by COP 20.

¹ All BA related information is available at: < <http://unfccc.int/8034.php>>.

10. At its seventh meeting, the SCF considered the draft technical paper on the fifth review of the FM. The working group, facilitated by Ms. Diann Black-Layne, continued to work on the technical paper intersessionally based on the feedback received from members during, as well as after the meeting.

11. *Action:* The SCF will be invited to consider the background paper with a view to agreeing on the conclusions, as well as recommendations to be included in the SCF report to COP 20 based on the findings of the technical paper on the fifth review of the FM.

SCF/2014/8/4

Background paper on the findings of the technical paper on the fifth review of the financial mechanism of the Convention

5. Forum of the Standing Committee on Finance

(a) Outcome of the 2014 Forum on mobilizing adaptation finance

12. *Background:* At COP 17, Parties mandated the SCF to 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. Furthermore, at COP 18, Parties encouraged the SCF to facilitate the participation of the private sector, financial institutions and academia in the forum. The COP also requested the SCF to report on the forum in its report to the COP. Parties, at COP 19, invited the SCF to consider focusing its second forum on mobilizing finance for adaptation from both public and private sectors.

13. The second forum of the SCF on “Mobilizing adaptation finance” was organized from 21 to 22 June 2014 in Montego Bay, Jamaica, back to back with the Climate Investment Funds 2014 Partnership Forum.² The SCF working group, facilitated by Mr. Raymond Landveld, had conducted all organizational work inter-sessionally. Members who had attended the forum were invited to provide feedback on the organization of the second forum in light of lessons learned and discussions on further improvements regarding future meetings of the forum.

14. *Action:* The SCF will be invited to consider the background paper with a view to agreeing on the conclusions, as well as recommendations to be included in the SCF report to COP 20 based on the outcomes of the second forum of the SCF.

SCF/2014/8/5

Background paper on the outcomes of the second forum of the Standing Committee on Finance

(b) 2015 Forum on financing for forests

15. *Background:* In decision 7/CP.19, paragraph 11, Parties requested the SCF to consider, in its work on coherence and coordination, inter alia, the issue of financing for forests, taking into account different policy approaches. Furthermore, in decision 9/CP.19, COP 19 requested the SCF to focus its soonest possible forum on issues related to finance for forests, including the implementation of the activities referred to in decision 1/CP.16, paragraph 70, inter alia: (a) ways and means to transfer payments for results-based actions as referred to in decision 1/CP.18, paragraph 29; and (b) the provision of financial resources for alternative approaches. Parties further requested the SCF to invite experts on the implementation of the activities referred to in decision 1/CP.16, paragraph 70, to the forum.

16. During its sixth meeting, the SCF agreed that the third forum of the SCF, to be held in 2015, should be dedicated to issues related to financing for forests.

17. *Action:* The SCF will be invited to consider the background paper with a view to agree on its overall approach to its third forum to be included in its report to COP 20.

SCF/2014/8/6

Background paper on the third forum of the Standing Committee on Finance

² All information on the second Forum, including presentations, is available at: < <http://unfccc.int/8138.php>>.

6. Draft guidance to the operating entities of the financial mechanism

18. *Background:* At COP 17, Parties decided that the SCF shall assist the COP in exercising its functions with respect to the FM of the Convention including through providing draft guidance for the operating entities (OEs) of the FM of the Convention to the COP, with a view to improving the consistency and practicality of such guidance, taking into account the annual reports of the OEs as well as submissions from Parties.

19. At its seventh meeting, the SCF invited members to provide elements for draft guidance to the Global Environment Facility (GEF) three weeks before the next SCF meeting based on the annual report of the GEF, as well as to provide elements for draft guidance to the Green Climate Fund (GCF) as soon as possible after issuance of the GCF report. Additionally, Parties are invited to submit to the secretariat annually, and no later than 10 weeks prior to the subsequent session of the COP their views and recommendations on the elements to be taken into account in developing guidance to the OEs.

20. *Action:* The SCF will be invited to consider the background paper, including the submissions made by members, as well as Parties, with a view to agreeing on the approach to be taken and recommendations to be made with regards to the provision of draft guidance to the GEF and the GCF to be included in its report to COP 20.

SCF/2014/8/7	<i>Background paper on the draft guidance to the operating entities of the financial mechanism</i>
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7. Coherence and coordination: the issue of financing for forests, taking into account different policy approaches

21. *Background:* In decision 1/CP.16, Parties decided to establish the SCF to assist the COP in exercising its functions with respect to the FM, including in terms of improving coherence and coordination in the delivery of climate change financing. In decision 7/CP.19, paragraph 11, Parties requested the SCF to consider, in its work on coherence and coordination, inter alia, the issue of financing for forests, taking into account different policy approaches.

22. During the seventh meeting, the SCF agreed to form a working group dedicated to this issue to be facilitated by Mr. Stefan Agne and Mr. Raymond Landveld. Furthermore, the SCF decided to revise the background document³ that was presented to the Committee at the seventh meeting.

23. *Action:* The SCF will be invited to consider the revised background document with a view to agreeing on its overall approach to the issue of financing for forests, taking into account different policy approaches, in the context of its work on the issue of coherence and coordination, and with a view to include information on this approach in its report to COP 20.

SCF/2014/7/5/Rev.1	<i>Revised background paper on coherence and coordination: the issue of financing for forests, taking into account different policy approaches</i>
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8. MRV of support beyond the biennial assessment and overview of climate finance flows

24. *Background:* COP 17 decided that the SCF shall assist the COP in exercising its functions with respect to the FM of the Convention in terms of MRV of support provided to developing countries. At COP 19, Parties invited the SCF to consider ways to increase its work on MRV of support beyond the BA in accordance with its work plan for 2014–2015⁴ and its mandates. In decision 5/CP.18, developed country Parties were invited to submit to the secretariat, by May 2014, information on the appropriate methodologies and systems used to measure and track climate finance.

³ SCF/2014/7/5.

⁴ As contained in FCCC/CP/2013/8, annex VIII.

25. In 2013, the SCF had called on observers and interested organizations to submit, by 31 July 2013, information on MRV of support, as well as the BA, and invited SCF members to also provide submissions on the issue of MRV of support.⁵

26. The Subsidiary Body for Scientific and Technological Advice (SBSTA), at its 40th session, initiated its discussions on methodologies for the reporting of financial information and, *inter alia*, welcomed the information provided by the SCF during this session on its on-going work relating to the preparation of the BA. Furthermore, SBSTA requested the secretariat to summarize available information on relevant on-going work under the SBI and SCF and to make it publicly available on the UNFCCC website before SBSTA 41.⁶

27. At its seventh meeting, the SCF invited members to submit elements for a work plan of the SCF on the issue of MRV of support beyond the BA by mid-July.

28. *Action:* The SCF will be invited to consider the background document, including the submissions made by SCF members, and the submissions by interested organizations in 2013 with a view to agreeing on its work plan for the work on MRV of support beyond the BA in 2015 to be included in its report to COP 20.

SCF/2014/8/8

Background paper on MRV of support beyond the biennial assessment and overview of financial flows

SCF/2013/5/8

Submissions to the fifth meeting of the Standing Committee on Finance

9. Report of the Standing Committee on Finance to the twentieth session of the Conference of the Parties

29. *Background:* As per decision 2/CP.17, the SCF is to report and make recommendations to the COP, for its consideration, at each ordinary session of the COP on all aspects of its work.

30. *Action:* The SCF will be invited to agree on the overall outline of its report to COP 20, as well as on the modality of work for the completion of the report.

10. Other matters

(a) Date and venue of next meeting of the Standing Committee on Finance

31. The SCF may wish to consider and agree on the date and venue of its meetings in 2015.

(b) Report of the eighth meeting of the Standing Committee on Finance

32. The SCF may wish to consider and adopt the report of the eighth meeting of the SCF inter-sessionally on a no-objections basis.

11. Closure of the Meeting

33. The eighth meeting of the SCF is scheduled to be closed on Friday, 3 October 2014, at 18:00.

⁵ Submissions received are available at: <<https://unfccc.int/7561.php>>.

⁶ FCCC/SBSTA/2014/L.16; more information available at: <<http://unfccc.int/2807.php>>.

ANNEX**Tentative Schedule SCF 8****Wednesday 1 October 2014**

08:30 – 09:00 Registration

09:00 – 09:15 Opening of the Meeting

09:15 – 09:30 Organizational Matters

09:30 – 10:00 Biennial assessment and overview of climate finance flows

10:00 – 10:30 Fifth review of the financial mechanism

10:30 – 10:45 *Coffee break*

10:45 – 11:15 Draft guidance to the operating entities of the financial mechanism

11:15 – 11:45 Forum: Outcome of the 2014 Forum on mobilizing adaptation finance / 2015 Forum on financing for forests

11:45 – 12:45 Coherence and coordination: the issue of financing for forests, taking into account different policy approaches

12:45 – 13:45 *Lunch break*

13:45 – 18:00 1. Working group on the biennial assessment and overview of climate finance flows
2. Working group on the fifth review of the financial mechanism

** Coffee and lights snacks will be available from 15:00 onwards.*

18:00 – 20:00 Working group on draft guidance to the operating entities of the financial mechanism

Thursday 2 October 2014

09:00 – 11:00 1. Working group on draft guidance to the operating entities of the financial mechanism
2. Working group on coherence and coordination: the issue of financing for forests, taking into account different policy approaches

11:00 – 11:15 *Coffee break*

11:15 – 13:15 1. Working group on MRV of support beyond the biennial assessment and overview of climate finance flows
2. Working group on Forum: Outcome of the 2014 Forum on mobilizing adaptation finance / 2015 Forum on financing for forests

13:15 – 14:15 *Lunch break*

14:15 – 15:15 Report of the working group on the biennial assessment and overview of climate finance flows

15:15 – 16:15 Report of the working group on the fifth review of the financial mechanism

16:15 – 16:30 *Coffee break*

16:30 – 20:00 Working group on draft guidance to the operating entities of the financial mechanism

Friday 3 October 2014

09:00 – 10:30 Report of the working group on draft guidance to the operating entities of the financial mechanism

10:30 – 11:30 Report of the working group on MRV of support beyond the biennial assessment and overview of climate finance flows

11:30 – 11:45 *Coffee break*

11:45 – 12:45 Report of the working group on coherence and coordination: the issue of financing for forests, taking into account different policy approaches

12:45 – 13:45 *Lunch break*

13:45 – 15:15 Report of the working group on Forum: Outcome of the 2014 Forum on mobilizing adaptation finance / 2015 Forum on financing for forests

15:15 – 15:30 *Coffee break*

15:30 – 17:00 Report of the Standing Committee on Finance to the twentieth session of the Conference of the Parties

17:00 – 18:00 Other matters
