

Eleventh Meeting of the Standing Committee on Finance

26–28 October 2015
Bonn, Germany

Provisional agenda

1. Opening of the meeting.
2. Organizational matters.
3. Report of the Standing Committee on Finance to the twenty-first session of the Conference of the Parties.
4. Forum of the Standing Committee on Finance
 - (a) Outcomes of the 2015 Forum of the Standing Committee on Finance and the Work on coherence and coordination: financing for forests, taking into account different approaches
 - (b) 2016 Forum of the Standing Committee on Finance.
5. Draft guidance to the operating entities of the financial mechanism.
6. MRV of support beyond the biennial assessment and overview of climate finance flows.
7. 2016 biennial assessment and overview of climate finance flows.
8. Institutional linkages and relations between the Adaptation Fund and other institutions under the Convention.
9. Other matters:
 - (a) Date and venue of next meeting;
 - (b) Report of the eleventh meeting of the Standing Committee on Finance.
10. Closure of the meeting.



Annotations to the agenda

1. Opening of the meeting

1. The eleventh meeting of the Standing Committee on Finance (SCF) will be opened by the Co-Chairs on Monday, 26 October 2015.

2. Organizational matters

(a) Adoption of the agenda

2. **Action:** *The SCF may wish to adopt the agenda for its eleventh meeting.*

3. **Background:** The provisional agenda was prepared by the secretariat and was circulated to the SCF prior to the meeting.

SCF/2015/11/1	<i>Provisional agenda for the Eleventh Meeting of the Standing Committee on Finance</i>
SCF/2015/11/2	<i>Provisional agenda and annotations for the Eleventh Meeting of the Standing Committee on Finance</i>

(b) Organization of the work of the meeting

4. **Action:** *The SCF will be invited to agree on the organization of the work of the meeting.*

5. **Background:** The eleventh meeting of the SCF will be held from 26 to 28 October 2015 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.

3. Report of the Standing Committee on Finance to the twenty-first session of the Conference of the Parties.

6. **Action:** *The SCF will be invited to agree on the overall outline of its report to COP 21, including its draft workplan for the year 2016, as well as on the modality of work for the completion of the report.*

7. **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.

4. Forum of the Standing Committee on Finance

8. **Action:** *The SCF will be invited to consider the background paper, including a draft executive summary report of the forum contained therein, with a view to providing conclusions and, potentially, recommendations to be included in the SCF report to COP 21 based on the outcomes of the third forum of the SCF.*

9. **Action:** *The SCF will be invited to consider the background paper with a view to initiate the work on the fourth forum and to agree on the overarching theme, its overall approach to the fourth forum, including potential partners to be included in its report to COP 21.*

(a) Outcomes of the 2015 Forum of the Standing Committee on Finance and the work on coherence and coordination: financing for forests, taking into account different approaches

10. *Background:* At COP 19, 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. It also 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.

11. The third forum was held on 8–9 September in Durban, South Africa. The background papers, including the concept note, programme, the background paper for the forum, presentations and webcast recordings are accessible on the dedicated website of the forum.¹

12. At the tenth meeting, the SCF agreed that an executive summary report of the forum should be produced shortly after the forum, for consideration at SCF 11 meeting, with a view to providing conclusions and, potentially, recommendations for inclusion in the annual report of the SCF to the Conference of the Parties (COP). Furthermore, the SCF recognized that it can draw lessons from its work in terms of improvements in the coherence and coordination on financing for forests, including through the provision of draft guidance for the operating entities of the Financial Mechanism of the Convention, and the biennial assessments and overview of climate finance flows (BA).

SCF/2015/11/3

Background paper on the Forum of the Standing Committee on Finance

(b) 2016 Forum of the Standing Committee on Finance.

13. *Background:* The COP, by decision 2/CP.20, paragraph 1, approved an initial two-year workplan of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts², which includes an invitation to the SCF to dedicate its 2016 Forum to financial instruments that address the risks of loss and damage associated with the adverse effects of climate change.

SCF/2015/11/4

Background paper on the fourth Forum of the Standing Committee on Finance

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

14. ***Action:*** *The SCF will be invited to consider the background paper containing the outcome of the compilation and analysis of past guidance provided, as well as the options for frequency of guidance, with a view to agreeing to a set of core guidance to the operating entities of the Financial Mechanism, as well as its recommending to the COP the frequency of guidance provided to the operating entities of the Financial Mechanism. The SCF may also wish to draft a decision containing draft guidance to the operating entities of the Financial Mechanism.*

15. *Background:* COP 20 endorsed the recommendations on the provision of guidance to the operating entities provided in paragraph 10 of the report of the SCF to COP 20.³ Furthermore, the COP requested the SCF to provide advice on the issue of the frequency of guidance to the Financial Mechanism and to report back to COP 21 on this issue.

¹ Available at: <<http://unfccc.int/9053.php>>

² FCCC/SB/2014/4, annex II, Area 7, paragraph (e).

³ Contained in paragraph 10 of document FCCC/CP/2014/5.

16. At its tenth meeting, the SCF agreed to further enhance the compilation and analysis of past guidance,⁴ followed by the identification of a set of core guidance. The SCF also decided to provide COP 21 with draft decisions concerning the guidance to be provided to the operating entities. Furthermore, the SCF agreed to prepare options on issue of frequency of guidance.⁵ Additionally, the SCF decided that the SCF Co-Chairs would invite the Adaptation Committee (AC) and the Technology Executive Committee (TEC) containing an invitation to those bodies to provide inputs on the draft guidance to the operating entities of the Financial Mechanism.

SCF/2015/11/5 *Background paper on the draft guidance to the operating entities of the Financial Mechanism*

6. MRV of support beyond the biennial assessment and overview of climate finance flows

17. **Action:** *The SCF will be invited to consider the background document with a view to agreeing on its recommendations on the methodologies for the reporting of financial information. Furthermore, the SCF will be invited to consider and agree to the revised draft workplan on MRV of support beyond the BA, taking into account the inputs provided by SCF members.*

Work in the context of decision 11/CP.20

18. In decision 11/CP.20, the COP requested the secretariat to organize a joint in-session technical workshop in conjunction with the forty-second sessions of the subsidiary bodies (SBs), to be jointly organized under the auspices of Subsidiary Body for Scientific and Technical Advice (SBSTA), the Subsidiary Body for Implementation (SBI) and the SCF. The COP also requested the SCF, as part of its work on MRV of support beyond the BA, taking into consideration the outcomes of the joint in-session technical workshop, to include in its annual report to COP 21 its recommendations on the methodologies for the reporting of financial information, as referred to in decision 2/CP.17, paragraph 19.

19. At the ninth meeting, the SCF agreed that the priority in 2015 would be work in the context of decision 11/CP.20. At the tenth meeting, the SCF considered the outcomes of the joint in-session technical workshop, including the summary note⁶. In its deliberations on the matter, the SCF identified a preliminary list of gaps in the methodologies for reporting of financial information by Parties included in Annex I to the Convention as well as a list of short- and longer-term options for improvements⁷. The SCF agreed that the co-facilitators, with the support of the secretariat, would draft recommendations on this matter for agreement at the eleventh meeting⁸.

Workplan on MRV of support

20. **Background:** At COP 19, Parties invited the SCF to consider ways to increase its work on MRV of support beyond the biennial assessment and overview of climate finance flows (BA) in accordance with its work plan for 2014–2015.⁹

21. At the ninth meeting, the SCF agreed to revise the draft workplan on MRV of support for consideration by the SCF no later than its eleventh meeting, with further inputs to be provided by SCF members by 30 April 2015. The SCF members and observers were invited to submit views on elements of the workplan.¹⁰ The co-facilitators, with the support of the secretariat, would prepare a structure to guide submissions¹¹. The submissions received are accessible on the information repository.¹²

⁴ As contained in document SCF/2015/10/5 and accompanying documents available at <<http://unfccc.int/6881.php>>

⁵ See document SCF/2015/10/13, section 5.

⁶ SCF/2015/10/6, Annex I

⁷ As contained in annex IV in document SCF/2015/10/13

⁸ See document SCF/2015/10/13, paragraph 25

⁹ As contained in FCCC/CP/2013/8, annex VIII.

¹⁰ See document SCF/2015/10/13, paragraph 27

¹¹ Ibid.

¹² Available at <<http://unfccc.int/7561.php>>

SCF/2015/11/6

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

7. 2016 biennial assessment and overview of climate finance flows

22. **Action:** *The SCF will be invited to consider the background document with a view to agreeing on the outline of the 2016 BA for inclusion in the report of SCF to COP 21.*

23. **Background:** COP 17 decided that the SCF should assist the COP in exercising its functions with respect to the Financial Mechanism of the Convention in terms of MRV of support provided to developing countries, inter alia, through preparing a BA.

24. Decision 3/CP.19, paragraph 11, states that the SCF, in the context of the preparation of its BA, is to consider ongoing technical work on operational definitions of climate finance, to assess how adaptation and mitigation needs can most effectively be met by climate finance and to include the results in its report to the COP. Furthermore, COP 20 decided that, in the context of its ongoing work, including the preparation of the BA, the SCF is to further explore how it can enhance its work on the MRV of support, based on best available information on the mobilization of various resources, including private and alternative resources, through public interventions.

25. The initial two-year workplan of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts, which was approved by COP 20, also contains the invitation to the SCF to include information on financial instruments that address the risks of loss and damage associated with the adverse in its next BA.¹³

26. At the tenth meeting, the SCF initiated the work for the preparation of the second BA. At this meeting, the SCF members deliberated on aspects that can be worked on and improved based on the experience with the first BA, as well as on the range of options for the structure of the 2016 BA¹⁴. The SCF also agreed that the co-facilitators, with the support of the secretariat, would draft the outline, a proposed structure and a timeline inter-sessionally for consideration at SCF 11¹⁵.

SCF/2015/11/7

Background paper on the 2016 biennial assessment and overview of climate finance flows

8. Institutional linkages and relations between the Adaptation Fund and other institutions under the Convention

27. **Action:** *The SCF will be invited to consider the background document containing the revised working paper, with a view to agreeing on its recommendation to COP 21 on this matter.*

28. **Background:** COP 20 requested the SCF to consider issues related to possible future institutional linkages and relations between the Adaptation Fund (AF) and other institutions under the Convention.

29. During its ninth meeting, the SCF agreed on the scope of work in relation to this issue.¹⁶ The Committee also agreed to enhance the dialogue with the AF Board and relevant thematic bodies. Furthermore, SCF members, observers and thematic bodies under the Convention were invited to make submissions by 8 May 2015 on the issues referred to in paragraph 32(a) and (b) of document SCF/2015/9/10.¹⁷ The SCF additionally agreed that the secretariat, under the

¹³ Initial two-year workplan of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts in accordance with decisions 3/CP.18 and 2/CP.19, Action Area 7

¹⁴ See document SCF/2015/10/13, Annex VI.

¹⁵ SCF/2015/10/13, section 8, paragraph 40.

¹⁶ See document SCF/2015/9/10, section 8.

¹⁷ Submissions received will be made available at: <<http://unfccc.int/7561.php>>.

guidance of the co-facilitators, would prepare a working paper on possible options for future institutional linkages and relations between the AF and other institutions under the Convention, including the legal and technical implications for each option, taking into account the submissions received for consideration at SCF 10.

30. At the tenth meeting, the SCF advanced its deliberations on this issue and agreed to pursue an enhanced dialogue with the AF Board. The SCF further agreed that the secretariat, under the guidance of the co-facilitators, would revise the working paper based on the deliberations at SCF 10.¹⁸

SCF/2015/11/8

Background paper on the institutional linkages and relations between the Adaptation Fund and other institutions under the Convention

9. Other matters

(a) Date and venue of next meeting

31. The SCF may wish to consider holding its twelfth meeting on 29-31 March 2016 in Bonn, Germany.

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

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

10. Closure of the Meeting

The eleventh meeting of the SCF is scheduled to be closed on Wednesday, 28 October 2015, at 15:00.

¹⁸ SCF/2015/10/13, section 7, paragraph 32 and 33.

ANNEX
Tentative Schedule SCF 11

Monday 26 October 2015

08:30 – 09:00	Registration	
09:00 – 09:15	Opening of the Meeting	
09:15 – 09:30	Organizational Matters	
09:30 – 10:30	Opening plenary: updates on inter-sessional work	
10:30 – 11:00	Report of the Standing Committee on Finance to the twenty-first session of the Conference of the Parties.	
11:00 – 11:15	<i>Coffee break</i>	
11:15 – 13:15	Breakout group on MRV of support beyond the biennial assessment and overview of climate finance flows (work in 2015)	Breakout group on draft guidance to the operating entities of the Financial Mechanism
13:15 – 14:15	<i>Lunch break</i>	
	<i>Working lunch: Stock-taking of the year (SCF members only)</i>	
14:15 – 16:00	Breakout group on draft guidance to the operating entities of the Financial Mechanism	Breakout group on 2016 biennial assessment and overview of climate finance flows
16:00 – 16:15	<i>Coffee break</i>	
16:15 – 18:15	Forum of the Standing Committee on Finance (Outcomes of the 2015 Forum)	

Tuesday 27 October 2015

09:00 – 10:00	Draft guidance to the operating entities of the Financial Mechanism	
10:00 – 11:00	MRV of support beyond the biennial assessment and overview of climate finance flows	
11:00 – 11:15	<i>Coffee break</i>	
11:15 – 13:15	Breakout group on the forum of the Standing Committee on Finance	Breakout group on institutional linkages and relations between the Adaptation Fund and other institutions under the Convention
13:15 – 14:15	<i>Lunch break</i>	
14:15 – 16:00	Breakout group on draft guidance to the operating entities of the Financial Mechanism Convention	Breakout group on MRV of support beyond the biennial assessment and overview of climate finance flows
16:00 – 16:15	<i>Coffee break</i>	
16:15 – 18:15	Breakout group on institutional linkages and relations between the Adaptation Fund and other institutions under the Convention	Breakout group on 2016 biennial assessment and overview of climate finance flows

Wednesday 28 October 2015

- 09:00 – 10:00 Report of the breakout group on institutional linkages and relations between the Adaptation Fund and other institutions under the Convention
- 10:00 – 11:00 Report of the breakout group on 2016 biennial assessment and overview of climate finance flows and the report of the breakout group on MRV of support beyond the biennial assessment and overview of climate finance flows
- (Coffee break)*
- 11:00 – 12:00 Report of the breakout group on the forum of the Standing Committee on Finance
- 12:00 – 13:00 Report of the breakout group on draft guidance to the operating entities of the Financial Mechanism Convention
- 13:00 – 14:00 *Lunch break*
- 14:00 – 14:30 Report of the eleventh meeting of the Standing Committee on Finance
- 14:30 – 14:45 Other matters
- 14:45 – 15:00 Closure
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