

**Fourteenth meeting of the Standing Committee on Finance  
Bonn, Germany, 3–5 October 2016**

**Background paper on the draft report of the Standing Committee on Finance to the  
twenty-second session of the Conference of the Parties**

**Proposed actions by the Standing Committee on Finance**

The Standing Committee on Finance (SCF) will be invited to:

- a) Consider and agree on:
  - i. The draft of its report to COP 22, including its workplan for 2017;
  - ii. Related recommendations as appropriate;
- b) Agree on the procedure for the inter-sessional finalization of the report.

**1. Options for consideration by the Standing Committee on Finance**

1. The Standing Committee on Finance (SCF), during the meeting, may wish to consider the draft report of the SCF to the twenty-second session of the Conference of the Parties (COP 22) as contained in the annex to this report with a view to agree on the report, including its workplan for 2017;
2. Furthermore, the SCF may wish to agree on related recommendations as appropriate during the meeting;
3. The SCF may further wish to agree on the procedure for the inter-sessional finalization of its report to COP 22, possible options would include:
  - a) Members providing comments on the remaining part of the draft report that was not agreed upon during the 14<sup>th</sup> meeting, which would be circulated upon closure of the SCF meeting, clearly highlighting additions made;
  - b) Members agreeing to the revised draft report based on comments received from members on a non-objection basis.



**Annex: Draft report of the Standing Committee on Finance to the twenty-second session of the Conference of the Parties****Report of the Standing Committee on Finance to the Conference of the Parties\****Summary*

This report contains information on the outcomes of the work of the Standing Committee on Finance (SCF), including its meetings, in 2016. The report also contains: the summary and recommendations by the Standing Committee on Finance on the 2016 biennial assessment and overview of climate finance flows; the summary report on and recommendations of the fourth forum of the SCF; the agreement by the SCF to dedicate its 2017 forum to XXX; the recommendation on frequency of guidance to the Green Climate Fund; the two draft decisions containing draft guidance to the operating entities of the Financial Mechanism of the Convention; the summary of the side event on “Enhancing coherence and coordination of forest finance”; a workplan on measurement, reporting and verification of support; the workplan of the SCF for 2017; and a list of the members of the SCF.

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\* This document was submitted after the due date in order to include the results of the 14<sup>th</sup> meeting of the Standing Committee on Finance, held from 3 to 5 October 2016.

## **I. Introduction**

### **A. Mandate**

1. The Conference of Parties (COP), by decision 2/CP.17, paragraph 120, decided that the Standing Committee on Finance (SCF) shall report and make recommendations to it, for its consideration at each of its ordinary sessions, on all aspects of the work of the SCF.
2. By decision 5/CP.18, paragraph 3, the COP endorsed the work programme of the SCF for 2013–2015,<sup>1</sup> and, by decision 6/CP.21, paragraph 3, the workplan of the SCF for 2016–2017. An updated workplan of the SCF for 2017 is contained in annex VIII.

### **B. Scope of the report**

3. This document contains the outcomes of the work of the SCF in 2016 and its recommendations for consideration at COP 22, as well as the reports on the 12<sup>th</sup>, 13<sup>th</sup> and 14<sup>th</sup> meetings of the SCF and its 2016 forum.

### **C. Recommendations for action by the Conference of the Parties at its twenty-second session**

4. The COP may wish to consider the following when deliberating the relevant agenda items:
  - (a) Recommendations emanating from the 2016 biennial assessment and overview of climate finance flows, as contained in annex II, paragraphs X–X;
  - (b) Recommendations of the 2016 SCF forum focusing on financial instruments that address the risks of loss and damage associated with the adverse effects of climate change, as contained in annex III, paragraph X;
  - (c) Draft decisions on draft guidance to the Green Climate Fund (GCF) and to the Global Environment Facility (GEF), as contained in annexes V and VI, respectively;
  - (d) Recommendations of the SCF on the issue of frequency of guidance to be provided to the operating entities of the Financial Mechanism, and the compilation and analysis of past guidance provided to the operating entities, as contained in paragraphs 34 and 36 below.
5. Additionally, the COP may wish to take note of the following:
  - (a) The membership of the SCF, as contained in annex I;
  - (b) The summary of the 2016 biennial assessment and overview of climate finance flows, as contained in annex II, paragraphs X–X;
  - (c) The workplan on the measurement, reporting and verification (MRV) of support beyond the biennial assessment and overview of climate finance flows, as contained in annex VII;

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<sup>1</sup> FCCC/CP/2012/4, annex II.

- (d) The summary report on the 2016 SCF forum, as contained in annex III, paragraphs X-X;
- (e) The agreement of the SCF to dedicate its 2017 forum to the issue of XX;
- (f) The progress made by the SCF with regard to improving the consistency and practicality of guidance provided to the operating entities of the Financial Mechanism, including the work of the SCF on the compilation and analysis of past guidance provided to the operating entities of the Financial Mechanism,<sup>2</sup> as well as the outreach activities of the SCF to other thematic bodies for enhanced transparency and coordination on the provision of draft guidance;
- (g) The summary of the side event on “Enhancing coherence and coordination of forest finance”, as contained in annex IV, and the agreement of the SCF to:
  - (i) Integrate financing for forest-related considerations into its workplan, as contained in annex VIII, where appropriate, namely, work on draft guidance to the operating entities, the sixth review of the Financial Mechanism and work related to MRV, including preparations for the third biennial assessment and overview of climate finance flows;
  - (ii) Continue its work on this matter in the context of the overall issue of improving the coherence and coordination in the delivery of climate change financing;
- (h) The updated workplan of the SCF for 2017, as contained in annex VIII.

## **II. Proceedings of the meetings of the Standing Committee on Finance in 2016**

### **A. Membership**

6. Mr. Houssen Alfa Nafu (Mali) and Ms. Outi Honkatukia (Finland) were elected as Co-Chairs of the SCF in 2016. Mr. Stefan Agne (European Union) was replaced by Mr. Ismo Ulvila (European Union), Ms. Sarah Conway (United States of America) was replaced by Mr. Randy Caruso (United States of America), Mr. Roger Dungan (New Zealand) was replaced by Ms. Puride Bowden (Australia), Ms. Rajasree Ray (India) was replaced by Mr. Debasish Prusty (India), Ms. Suzanty Sitorus (Indonesia) was replaced by Ms. Bernarditas Muller (Philippines), and Mr. Raymond Landveld (Suriname) resigned from the SCF without replacement. A list of the members of the SCF as at 5 October 2016 is contained in annex I.

### **B. Meetings**

7. The meetings of the SCF were attended by XX Party observers and representatives of non-governmental organizations, intergovernmental organizations, think tanks, multilateral development banks and operating entities of the Financial Mechanism of the Convention. The observers actively took part in the deliberations of the SCF.

8. The SCF conducted its meetings through plenary sessions and breakout group discussions. All meetings of the SCF were webcast, and the recordings of the meetings

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<sup>2</sup> PROVIDE LINK ONCE AVAILABLE

are available on demand.<sup>3</sup> The representatives of observer organizations were invited to express their views on the various issues under discussion and to engage actively in the deliberations of the breakout groups.

9. The meeting documents are available on the SCF web pages.<sup>4</sup> A total of XX background notes and technical papers were produced for the meetings of the SCF.

10. The 12<sup>th</sup> meeting of the SCF was held in Bonn, Germany, on 6 and 7 April 2016. It was preceded by an informal retreat of the SCF on 5 April 2016, during which the SCF engaged in informal discussions on its past work in the context of the upcoming review of the functions of the SCF, as well as its future role in light of the Paris Agreement. At the 12<sup>th</sup> meeting, the SCF agreed to:

- (a) The distribution of work across the three meetings of the SCF in 2016;<sup>5</sup>
- (b) Provide inputs to the in-session workshop on long-term finance (LTF) in May 2016;
- (c) Focus mainly on outreach activities in 2016 with regard to the issue of coherence and coordination: financing for forests, taking into account different policy approaches;
- (d) Decide on the venue of the 2016 forum intersessionally and start preparing a draft programme;
- (e) Provide guidance on the preparation of the first-order draft of the 2016 biennial assessment and overview of climate finance flows and mandate the co-facilitators of the dedicated working group to prepare a draft outline of the summary and recommendations;
- (f) Pursue work on the MRV of support beyond the biennial assessment and overview of climate finance flows in the context of the 2016 biennial assessment and overview of climate finance flows;
- (g) Adopt and enhance the approach in its collaboration with and outreach to other thematic bodies under the Convention, and to be more ambitious in developing draft guidance to the operating entities of the Financial Mechanism of a more strategic nature;
- (h) Continue deliberations on the issue of frequency of guidance to the operating entities of the Financial Mechanism at the 13<sup>th</sup> meeting of the SCF;
- (i) Mandate the co-facilitators of the dedicated working group to extract elements that could form core guidance to the operating entities of the Financial Mechanism;
- (j) Respond to an official communication received from the Co-Chairs of the Board of the GCF on matters related to improving the complementarity and coherence among the GCF and other institutions;
- (k) Nominate members to represent the SCF on the Advisory Board of the Climate Technology Centre and Network, the task force on the national adaptation plans (NAPs) of the Adaptation Committee (AC), to engage with the AC and the Least Developed Countries Expert Group (LEG) in the context of decision 1/CP.21, paragraph 45, and to liaise with the Executive Committee of the Warsaw International

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<sup>3</sup> <<http://unfccc.int/7703.php>>.

<sup>4</sup> <<https://unfccc.int/6881.php>>.

<sup>5</sup>See SCF document SCF/2016/12/9, annex I.

Mechanism for Loss and Damage associated with Climate Change Impacts (hereinafter referred to as the Executive Committee) on the organization of the 2016 forum;

(l) Adopt its approach to the linkages of the SCF with the thematic bodies of the Convention.

11. The 13<sup>th</sup> meeting of the SCF was held in Bonn from 18 to 20 July 2016. The SCF agreed on:

(a) Its future approach to the issue of coherence and coordination: financing for forests, taking into account different policy approaches;

(b) Adopting the programme of the 2016 forum, including the themes and guiding questions for the individual sessions;

(c) Mandating the co-facilitators of the dedicated working group to continue to identify speakers and resource persons for the forum, and to make the final programme available as soon as possible;

(d) The outreach activities with regard to the organization of the 2016 forum;

(e) The procedure for reporting on the 2016 forum to COP 22;

(f) Conducting further discussions on the topic for the 2017 forum during the 14<sup>th</sup> meeting of the SCF with a view to finalizing those discussions during that meeting;

(g) Areas for further work on the basis of the first-order draft of the technical report of the 2016 biennial assessment and overview of climate finance flows;

(h) Guidance on the structure and content of the draft summary and recommendations on the 2016 biennial assessment and overview of climate finance flows;

(i) A set of recommendations to be included in its report to COP 22 on the issue of draft guidance to the operating entities of the Financial Mechanism;

(j) Various activities to be conducted on the issue of draft guidance to the operating entities of the Financial Mechanism;

(k) Engage in substantive discussions on the mandate contained in decision 1/CP.21, paragraph 45, and on the issue of the review of the functions of the SCF during the 14<sup>th</sup> meeting of the SCF.

12. The 14<sup>th</sup> meeting of the SCF was held in Bonn from 3 to 5 October 2016. The SCF agreed on:

(a) xxx.

### **III. Work of the Standing Committee on Finance in 2016**

#### **A. The 2016 biennial assessment and overview of climate finance flows**

13. In accordance with decision 2/CP.17, paragraph 121(f), the SCF prepared its second biennial assessment and overview of climate finance flows in 2016. As in the case of the 2014 biennial assessment and overview of climate finance flows, the

preparation of the 2016 biennial assessment and overview of climate finance flows was guided by decisions 1/CP.18, paragraph 71, 5/CP.18, paragraph 11, 3/CP.19, paragraph 11, and 6/CP.20, paragraph 11. In addition, the second biennial assessment and overview of climate finance flows was prepared with a view to informing the work of the Ad Hoc Working Group on the Paris Agreement in developing the modalities, procedures and guidelines referred to in decision 1/CP.21, paragraph 91.<sup>6</sup> Furthermore, the SCF considered the invitation by the Executive Committee to include information on financial instruments that address the risks of loss and damage associated with the adverse in its next biennial assessment and overview of climate finance flows.<sup>7</sup>

14. The SCF agreed on the general outline of the 2016 biennial assessment and overview of climate finance flows at its 11<sup>th</sup> meeting.<sup>8</sup> Work on the preparation of the 2016 biennial assessment and overview of climate finance flows was considered during the three meetings of the SCF in 2016, two informal technical meetings organized in conjunction with the 12<sup>th</sup> and the 13<sup>th</sup> meetings of the SCF, as well as intersessionally by a working group co-facilitated by Ms. Outi Honkatukia and Mr. Houssen Alfa Nafu.<sup>9</sup>

15. The preparation of the 2016 biennial assessment and overview of climate finance flows involved meta-data and information gathering from a range of sources, which informed the work of the SCF. The SCF provided guidance on the content of the report, including the scope of the work and issues that need to be highlighted. In addition to the thorough review by the SCF of the report, two webinars were also conducted to exchange views on the key messages of the 2016 biennial assessment and overview of climate finance flows.

16. At the technical level, the work combined literature review and data collection with virtual and informal technical meetings. External contributors provided inputs to the preparation process and included international financial institutions and other organizations that produce and aggregate data on climate finance flows such as multilateral development banks (African Development Bank, Asian Development Bank (ADB), European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, and the International Finance Corporation and the World Bank from the World Bank Group), bilateral development finance institutions, international organizations, research institutions and think tanks, private sector financial institutions, academia and civil society organizations.

17. [Paragraph on review process]

18. The summary and recommendations of the 2016 biennial assessment and overview of climate finance flows adopted by the SCF at its 14<sup>th</sup> meeting are contained in annex II.

## **B. Measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows**

19. COP 19 requested the SCF to consider ways to increase its work on the MRV of support beyond the biennial assessment and overview of climate finance flows in

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<sup>6</sup> Decision 1/CP.21, paragraph 94(e).

<sup>7</sup> <<http://unfccc.int/8805.php>>.

<sup>8</sup> See document FCCC/CP/2015/8, annex VIII, table 2.

<sup>9</sup> Further information on the preparation of the 2016 biennial assessment and overview of climate finance flows is available at <<http://unfccc.int/8034.php>>.

accordance with its workplan for 2014–2015 and its mandates.<sup>10</sup> Additionally, COP 20 requested the SCF, in the context of its ongoing work, including the preparation of the biennial assessment and overview of climate finance flows, to further explore how it can enhance its work on the MRV of support.<sup>11</sup> In response to this mandate, the SCF developed a two-year workplan to enable improved MRV of support under the Convention.<sup>12</sup>

20. COP 21 requested the SCF, in implementing its workplan on the MRV of support beyond the biennial assessment and overview of climate finance flows, to continue to engage with relevant bodies under the Convention, multilateral and bilateral agencies, and international institutions.<sup>13</sup> Furthermore, COP 21 requested the SCF to take into account the work on the methodologies for the reporting of financial information by Parties included in Annex I to the Convention in the context of its workplan on the MRV of support.<sup>14</sup>

21. The SCF, at its 12<sup>th</sup> meeting, agreed that, in accordance with the 2016–2017 workplan on the MRV of support beyond the biennial assessment and overview of climate finance flows, it will explore relevant issues in 2016 in the context of the second biennial assessment and overview of climate finance flows, taking into account new developments emanating from the Paris Agreement and decision 1/CP.21. At its 13<sup>th</sup> meeting, the SCF took note of an information note, prepared by the secretariat, providing an update on ongoing work under the Convention related to the 2016–2017 workplan on the MRV of support beyond the biennial assessment and overview of climate finance flows (July 2016).<sup>15</sup>

22. During its 14<sup>th</sup> meeting, the SCF XXX

## C. Forums of the Standing Committee on Finance

### 1. The 2016 forum

23. The SCF agreed to dedicate its 2016 forum to financial instruments that address the risks of loss and damage associated with the adverse effects of climate change, in response to the invitation by the Executive Committee, as outlined in action area 7 of its workplan.<sup>16</sup> Work on the preparation of the forum was conducted during the 12<sup>th</sup> and 13<sup>th</sup> meetings of the SCF, as well as on an intersessional basis by a working group co-facilitated by Mr. Richard Sherman and Mr. Stephan Kellenberger.

24. The 2016 SCF forum, entitled “Financial instruments that address the risks of loss and damage associated with the adverse effects of climate change”, took place on 5 and 6 September 2016 in Manila, Philippines. It was hosted by the ADB in collaboration with the Climate Change Commission of the Government of the Philippines.<sup>17</sup> The forum was organized as a stand-alone event with about 200 participants representing different regions and a variety of institutions, including public and private sectors, non-governmental organizations, think tanks and international organizations. More than 30 resource persons were invited as

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<sup>10</sup> Decision 7/CP.19, paragraph 9.

<sup>11</sup> Decision 6/CP.20, paragraph 11.

<sup>12</sup> See document FCCC/CP/2015/8, annex VII.

<sup>13</sup> Decision 6/CP.21, paragraph 4.

<sup>14</sup> Decision 9/CP.21, paragraph 14.

<sup>15</sup> <[http://unfccc.int/files/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/application/pdf/info\\_note\\_mrv\\_1307.pdf](http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/info_note_mrv_1307.pdf)>.

<sup>16</sup> <<http://unfccc.int/8805.php>>.

<sup>17</sup> Information on the fourth forum of the SCF, including the programme, list of speakers and presentations, is available at <<http://unfccc.int/9410.php>>.



presenters, panellists and facilitators. High-level statements were delivered by Ms. Patricia Espinoza, Executive Secretary of the UNFCCC, Secretary Emmanuel de Guzman, Vice-Chair of the Climate Change Commission of the Philippines, and Mr. Bambang Susantono, ADB Vice-President for Knowledge Management and Sustainable Development.

25. In preparing for the forum and to inform the preparatory work of the SCF, the SCF reached out to various stakeholders and undertook a number of outreach activities, including the following:

(a) An initial outreach event to consult with relevant stakeholders at COP 21;

(b) A call for inputs from SCF members and interested stakeholders on the scope and purpose of the forum as well as on relevant case studies and potential organizations and events to partner with;<sup>18</sup>

(c) Virtual participation of the co-facilitators of the forum at the 2<sup>nd</sup> and 3<sup>rd</sup> meetings of the Executive Committee (February and April 2016) to share updates on the work related to the forum;

(d) Attendance by members of the SCF, and presentation of a summary of the outcomes of the 2016 SCF forum during the forum, at the international event on “Insuring climate and disaster resilience: innovations and solutions for sustainable development”, organized by the United Nations Environment Programme Finance Initiative “Principles for Sustainable Insurance” and the Philippine Insurers & Reinsurers Association, in Manila on 7 September 2016.

26. During its 14<sup>th</sup> meeting, the SCF XXX

27. The summary and recommendations of the 2016 SCF forum focusing on “Financial instruments that address the risks of loss and damage associated with the adverse effects of climate change” is contained in annex III.

28. Furthermore, the SCF continued to make use of its virtual forum<sup>19</sup> where information on the meetings of the forum, as well as other relevant information, such as presentations by members during external events and submissions, is available to all interested stakeholders.

## 2. The 2017 forum

29. The SCF, at its 13<sup>th</sup> meeting, initiated discussions on the theme for its 2017 forum. Various options for topics were identified, with members highlighting that different options could be combined, that there is no hierarchy among the options put forward and that sequencing should be taken into consideration in order to ensure a timely correspondence of the topic of the forum to the matters at hand.<sup>20</sup> Furthermore, there was a general understanding that further suggestions for topics could be made in advance of and during the 14<sup>th</sup> meeting of the SCF. A dedicated working group, facilitated by Mr. Ismo Ulvila, was established by the SCF in order to progress work on the organization of the 2017 forum on the basis of further guidance to be provided at COP 22.

30. At its 14<sup>th</sup> meeting, the SCF xxx.

<sup>18</sup> Inputs received are available at <[http://unfccc.int/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/items/7561.php#2016%20SCF%20Forum:%20Inputs%20received](http://unfccc.int/cooperation_and_support/financial_mechanism/standing_committee/items/7561.php#2016%20SCF%20Forum:%20Inputs%20received)>

<sup>19</sup> <<http://unfccc.int/SCF/Forum>>.

<sup>20</sup> See SCF document SCF/2016/13/8, paragraph 14.

## D. Guidance to the operating entities of the Financial Mechanism of the Convention

31. One of the mandated activities of the SCF is to provide to the 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 as well as relevant submissions from Parties.<sup>21</sup> 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.<sup>22</sup> Furthermore, the COP requested the SCF to provide advice on the issue of the frequency of guidance provided to the Financial Mechanism and to report back to COP 21 on this issue.<sup>23</sup>

32. This matter was discussed by the SCF during its 12<sup>th</sup>, 13<sup>th</sup> and 14<sup>th</sup> meetings, and work on this issue was advanced intersessionally by a working group co-facilitated by Mr. Jozef Buys and Ms. Diann Black-Layne. Representatives of the operating entities were actively engaged in the discussions during the three meetings of the SCF, and provided information upon request.

### 1. Guidance provided to the operating entities

33. The SCF developed the draft decisions on guidance to the GEF and the GCF on the basis of the annual reports of the operating entities, views submitted by Parties, inputs from the members of the SCF and inputs received from the AC and the Technology Executive Committee (TEC).<sup>24</sup> The draft decisions on guidance to the operating entities that the SCF recommends to COP 22 for its consideration are contained in annexes V and VI.

34. The SCF further strengthened its collaboration with the AC and the TEC on the provision of draft guidance to the operating entities by participating in the 10<sup>th</sup> meeting of the AC, and the 12<sup>th</sup> and 13<sup>th</sup> meetings of the TEC. Mr. Buys also attended the “In-session workshop on linkages between the Technology Mechanism and the Financial Mechanism of the Convention”, which took place on 21 May 2016 in conjunction with the forty-fourth sessions of the subsidiary bodies.<sup>25</sup>

35. Furthermore, the SCF Co-Chairs, upon invitation from the Co-Chairs of the Board of the GCF, attended a conference call regarding the board’s initial response on complementarity and coherence with relevant institutions, including the SCF. During the call, the SCF Co-Chairs were updated on the latest development of the board and activities that the board is planning to undertake on the basis of the decisions arising from the 13<sup>th</sup> board meeting.<sup>26</sup> This includes: organizing the 1<sup>st</sup> annual meeting of the GCF and the thematic bodies on enhancing the cooperation and coherence of engagement; development of an operational framework of the GCF on complementarity and coherence; and convening an annual dialogue with climate finance delivery channels and other funds, to be initiated at the 15<sup>th</sup> meeting of the board.

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<sup>21</sup> Decision 2/CP.17, paragraph 121(c).

<sup>22</sup> FCCC/CP/2014/5.

<sup>23</sup> Decision 6/CP.20, paragraphs 19 and 20.

<sup>24</sup> PROVIDE INFO ON WHERE TO FIND THE INPUTS ONCE AVAILABLE

<sup>25</sup> Further information is available at <[http://unfccc.int/ttclear/templates/render cms\\_page?s=events\\_ws\\_tmfm](http://unfccc.int/ttclear/templates/render cms_page?s=events_ws_tmfm)>.

<sup>26</sup> Contained in GCF Board decisions B.13/11 and B.13/12, in document GCF/B.13/32/Rev.01, available at

<[http://www.greenclimate.fund/documents/20182/226888/GCF\\_B.13\\_32\\_Rev.01\\_-](http://www.greenclimate.fund/documents/20182/226888/GCF_B.13_32_Rev.01_-)

[\\_Decisions\\_of\\_the\\_Board\\_\\_thirteenth\\_meeting\\_of\\_the\\_Board\\_\\_28-30\\_June\\_2016.pdf/c93a0291-28c1-4bfc-bc22-cf4c590c3c83](http://www.greenclimate.fund/documents/20182/226888/GCF_B.13_32_Rev.01_-Decisions_of_the_Board__thirteenth_meeting_of_the_Board__28-30_June_2016.pdf/c93a0291-28c1-4bfc-bc22-cf4c590c3c83)>.

## **2. Frequency of guidance to be provided to the operating entities**

36. The SCF, at its 13<sup>th</sup> meeting, agreed to provide a recommendation to COP 22 that guidance to the GCF should continue to be provided on an annual basis, in the light of the early stage of operationalization of the GCF and in order to provide guidance that is most responsive to any new developments under the Convention and the GCF.

## **3. Compilation and analysis of past guidance to the operating entities**

37. The SCF continued its work on the compilation and analysis of past guidance in 2016, which included, inter alia, a thematic categorization of past guidance provided.<sup>27</sup>

38. Building on this work in 2016, the SCF agreed to recommend to COP 22 that the COP invite the GEF and the GCF to consider how their reporting could be adjusted, with a view to facilitating the updating of the compilation and analysis of past guidance provided to the operating entities of the Financial Mechanism.<sup>28</sup> Additionally, it agreed to recommend that the revised compilation and analysis of past guidance provided to the operating entities of the Financial Mechanism be consulted by the thematic bodies and Parties when developing their inputs to draft guidance to the operating entities, as a way of reducing repetitiveness and enhancing coherence in guidance.

39. At its 13<sup>th</sup> meeting, the SCF agreed that it will annually update the compilation and analysis of past guidance in order to incorporate guidance emanating from each session of the COP. In addition, the SCF agreed to invite SCF members, observer organizations, including the GEF and the GCF, and the thematic bodies to provide input to and feedback on the compilation and analysis. On this basis, the SCF will undertake further work in 2017 to further improve the compilation and analysis, also with a view to preparing recommendations on a draft set of core guidance to be provided to COP 23. The SCF also agreed to bring to the attention of COP 22 the issues identified in paragraph 5(f) above.

## **E. Coherence and coordination: the issue of financing for forests, taking into account different policy approaches**

40. COP 19 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.<sup>29</sup> In response to this mandate, and on the basis of the work conducted in 2015, the SCF, during its 12<sup>th</sup> meeting, agreed to focus mainly on outreach activities in 2016, including a side event during the forty-fourth sessions of the subsidiary bodies, on the basis of the outcomes of the third SCF forum in 2015 on forest finance. The SCF held its side event “Enhancing coherence and coordination of forest finance” on 23 May 2016,<sup>30</sup> the outcomes of which were discussed by the SCF during its 13<sup>th</sup> meeting. On the basis of this discussion, the SCF agreed to inform COP 22 on its activities relating to this mandate, as outlined in paragraph 5(g) above. A summary of this side event is contained in annex IV.

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<sup>27</sup> PROVIDE LINK ONCE AVAILABLE. All work conducted in 2015 and 2016 in this regard is available at <<http://unfccc.int/6881.php>>.

<sup>28</sup> PROVIDE LINK ONCE AVAILABLE

<sup>29</sup> Decision 7/CP.19, paragraph 11.

<sup>30</sup> Information, including the programme and presentations made, is available at <<http://unfccc.int/8985.php>>.

41. In addition, Mr. Georg Børsting delivered a presentation on behalf of the SCF at the 3<sup>rd</sup> voluntary meeting on the coordination of support for the implementation of REDD-plus<sup>31</sup> activities, which took place on 23 May 2016.<sup>32</sup>

**F. Consideration of the long-term finance issues referred to in decision 3/CP.19, paragraph 12**

42. By decision 5/CP.20, the COP decided to continue its deliberations on the LTF issues referred to in decision 3/CP.19, paragraph 12, through, inter alia, annual in-session workshops. Concurrently, the COP 20 invited the thematic bodies under the Convention, in particular the SCF, the AC and the TEC, where appropriate, to consider these LTF issues when implementing their 2015–2016 workplans, as an input to the annual in-session workshops on LTF.<sup>33</sup> In response to this mandate, and in line with its approach taken to this mandate in 2015, the SCF provided inputs to the 2016 in-session workshop on LTF.<sup>34</sup> Mr. Randy Caruso was nominated to represent the SCF at this event, and delivered a presentation on behalf of the SCF on 18 May 2016.<sup>35</sup>

**G. Linkages with the Subsidiary Body for Implementation and the thematic bodies of the Convention**

43. The COP requested the SCF to continue to strengthen its engagement with all relevant stakeholders and bodies under the Convention.<sup>36</sup>

44. Further, the COP requested the AC and the LEG, in collaboration with the SCF and other relevant institutions, to develop methodologies, and make recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session on: (a) taking the necessary steps to facilitate the mobilization of support for adaptation in developing countries in the context of the limit to global average temperature increase referred to in Article 2 of the Agreement and (b) reviewing the adequacy and effectiveness of adaptation and support referred to in Article 7, paragraph 14(c), of the Agreement.<sup>37</sup>

45. During its 12<sup>th</sup> meeting, the SCF agreed on its approach to maintaining linkages with the Subsidiary Body for Implementation and the thematic bodies under the Convention. In response to decision 25/CP.19, it was agreed that Ms. Black-Layne would represent the SCF on the Advisory Board of the Climate Technology Centre and Network (CTCN) in an official capacity for 2016 on the basis of the technical and analytical work undertaken by the SCF, and would stand ready to engage and liaise

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<sup>31</sup> In decision 1/CP.16, paragraph 70, the COP encouraged developing country Parties to contribute to mitigation actions in the forest sector by undertaking the following activities: reducing emissions from deforestation; reducing emissions from forest degradation; conservation of forest carbon stocks; sustainable management of forests; and enhancement of forest carbon stocks.

<sup>32</sup> The presentation is available at <[http://redd.unfccc.int/files/8\\_scf\\_redd\\_voluntary\\_meeting\\_23\\_may\\_final.pdf](http://redd.unfccc.int/files/8_scf_redd_voluntary_meeting_23_may_final.pdf)>. Further information on the meeting is available at <<http://redd.unfccc.int/meetings/voluntary-meetings.html>>.

<sup>33</sup> Decision 5/CP.20, paragraphs 13 and 14.

<sup>34</sup> Further information on the workshop, including the programme and presentations made, is available at <<http://unfccc.int/9518.php>>.

<sup>35</sup> <[http://unfccc.int/files/cooperation\\_support/financial\\_mechanism/long-term\\_finance/application/pdf/scf\\_input\\_ltf\\_in-session\\_workshop\\_2016.pdf](http://unfccc.int/files/cooperation_support/financial_mechanism/long-term_finance/application/pdf/scf_input_ltf_in-session_workshop_2016.pdf)>.

<sup>36</sup> Decision 6/CP.21, paragraph 2.

<sup>37</sup> Decision 1/CP.21, paragraph 45.

with the TEC as appropriate. In response to this agreement, Ms. Black-Layne attended the 7<sup>th</sup> meeting of the CTCN Advisory Board.<sup>38</sup>

46. Furthermore, it agreed that Mr. Caruso would represent the SCF in an expert capacity on the NAP task force of the AC, and would stand ready to engage and liaise with the AC and the LEG in the context of decision 1/CP.21, paragraph 45. Intersessionally, it was also agreed that Mr. Kyekyeku Yaw Oppong-Boadi would support Mr. Caruso in this task. Mr. Oppong-Boadi attended one meeting of the NAP task force of the AC.<sup>39</sup> Furthermore, it was agreed that Mr. Kellenberger and Mr. Sherman would continue to liaise and engage with the Executive Committee on the organization of the 2016 forum of the SCF.

47. With regard to its overall approach to the matter of linkages, the SCF agreed:

(a) To share its 2016 workplan with the thematic bodies and that representation in, and inputs provided to, other bodies would draw on existing SCF work;

(b) That ad hoc requests by other thematic bodies (e.g. to provide inputs to products being developed by those bodies) would be shared with all members, with the Co-Chairs seeking volunteers to take work forward in line with the overall approach taken by the SCF on the linkages with thematic bodies;

(c) That members representing the SCF in the meetings of other thematic bodies, (either in person or via virtual means), would attend in their personal expert capacity, and will report back to the SCF on their attendance at those meetings; it was further agreed that presentations to be delivered by members would be shared with the SCF ahead of the respective meetings on a no-objection basis.

48. In addition to sharing its 2016 workplan with the thematic bodies, the SCF organized a side event during the forty-fourth sessions of the subsidiary bodies on 20 May 2016 in order to provide an update on the work of the SCF in 2016.<sup>40</sup> Ms. Honkatukia, during the first session of the Ad Hoc Working Group on the Paris Agreement on 21 May 2016, also delivered a statement in the context of the "Stocktaking events: ensuring coherence and assessing progress on the implementation of the work program post-Paris", organized by the Presidencies, providing a brief overview of the SCF response to the Paris Agreement and the ensuing work programme.

49. Regarding the specific mandate contained in decision 1/CP.21, paragraph 45, the AC and the LEG held an informal joint meeting in Bonn on 27 May 2016 to discuss an approach for responding to the mandates.<sup>41</sup> One of the agreements reached during this meeting was to launch a call for submissions from Parties and other stakeholders to solicit inputs on the three mandates received from COP 21. In the light of the outcome of this meeting, the SCF, during its 13<sup>th</sup> meeting, acknowledged that further discussions were necessary on the part of the SCF, bearing in mind the past work it has conducted on various matters.

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<sup>38</sup> Further information is available at <<https://www.ctc-n.org/calendar/events/7th-ctcn-advisory-board-meeting>>.

<sup>39</sup> Further information is available at <[http://unfccc.int/adaptation/groups\\_committees/adaptation\\_committee/items/9917.php](http://unfccc.int/adaptation/groups_committees/adaptation_committee/items/9917.php)>.

<sup>40</sup> The presentation is available at <[http://unfccc.int/files/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/application/pdf/slides\\_scside\\_event\\_052016\\_final.pdf](http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/slides_scside_event_052016_final.pdf)>.

<sup>41</sup> The report on this meeting is available at <[http://unfccc.int/files/adaptation/cancun\\_adaptation\\_framework/adaptation\\_committee/application/pdf/20160704\\_report\\_acleg\\_mandates\\_cop21.pdf](http://unfccc.int/files/adaptation/cancun_adaptation_framework/adaptation_committee/application/pdf/20160704_report_acleg_mandates_cop21.pdf)>.

50. During its 14<sup>th</sup> meeting, in response to the call for submissions mentioned in paragraph 49 above,<sup>42</sup> the SCF agreed to XXX...

#### **H. Review of the functions of the Standing Committee on Finance**

51. COP 21 decided to initiate the review of the functions of the SCF at COP 22.<sup>43</sup> Furthermore, it requested the members of the SCF to submit their views on the terms of reference for the review of the functions of the SCF by 21 September 2016.

52. In response to this mandate, the SCF engaged in initial informal discussions during its retreat on 5 April 2016. Discussions were based on background information provided by the secretariat mapping out past work conducted by the SCF vis-à-vis its functions and guidance provided by the COP, as well as areas of work, as mandated by decision 1/CP.21, in light of future possible involvement by the SCF under the Paris Agreement. During its 13<sup>th</sup> meeting, it was agreed to allocate an agenda item to this matter at its 14<sup>th</sup> meeting to allow for substantive discussions, bearing in mind the deadline for submissions, the date and time constraints of the meeting, as well as the fact that discussions on the 2017 workplan are to take place during this meeting.

53. At its 14<sup>th</sup> meeting, the SCF XXX...

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<sup>42</sup> <[http://unfccc.int/adaptation/workstreams/technical\\_examination\\_process\\_on\\_adaptation/items/9761.php](http://unfccc.int/adaptation/workstreams/technical_examination_process_on_adaptation/items/9761.php)>.

<sup>43</sup> Decision 1/CP.17, annex VI, paragraph 10.

**Annex I**

[English only]

**Members of the Standing Committee on Finance as at 5 October 2016****1. Parties included in Annex I to the Convention**

Mr. Georg Børsting (Norway)  
Mr. Jozef Buys (Belgium)  
Mr. Randy Caruso (United States of America)  
Ms. Kate Downen (United Kingdom of Great Britain and Northern Ireland)  
Ms. Outi Honkatukia (Finland)  
Mr. Yorio Ito (Japan)  
Mr. Stephan Kellenberger (Switzerland)  
Mr. Russell Miles (Australia)  
Mr. Mark Storey (Sweden)  
Mr. Ismo Ulvila (European Union)

**2. Parties not included in Annex I to the Convention****African States**

Mr. Houssen Alfa Nafo (Mali)  
Mr. Richard Sherman (South Africa)

**Asia-Pacific States**

Mr. Debasish Prusty (India)  
Mr. Ayman Shasly (Saudi Arabia)

**Latin American and Caribbean States**

Mr. Paul Herbert Oquist Kelley (Nicaragua)

**Least developed countries**

Ms. Edith Kateme-Kasajja (Uganda)

**Other non-Annex I Parties**

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

**Small island developing States**

Ms. Diann Black-Layne (Antigua and Barbuda)

**Annex II**

[English only]

**Summary and recommendations by the Standing Committee on Finance on the  
2016 biennial assessment and overview of climate finance flows**



**Annex III**

[English only]

**Summary report on and recommendations of the fourth forum of the Standing  
Committee on Finance**

**Annex IV**

[English only]

**Standing Committee on Finance side event on  
“Enhancing coherence and coordination of forest finance”****I. Background**

1. The Standing Committee on Finance (SCF) initiated its work on the coherence and coordination of forest finance in 2014. Building on the rich discussions that took place at the 2015 SCF forum dedicated to the issue of forest finance, the SCF agreed to, inter alia, organize a side event in conjunction with a United Nations Climate Change Conference session in 2016, to facilitate interactions among entities providing forest finance. In accordance with this agreement, a side event was held on the margins of the forty-fourth sessions of the subsidiary bodies on 23 May 2016.

2. At the 12<sup>th</sup> meeting of the SCF, it was further agreed that the secretariat will prepare a summary of the discussions for consideration by the SCF at its subsequent meeting and that the SCF may consider the summary, together with the outcomes of any further outreach-related activities in 2016, with a view to providing conclusions and recommendations on the coherence and coordination of forest finance at the twenty-second session of the Conference of the Parties (COP).

**II. Proceedings**

3. The side event was held from 1.15 p.m. to 2.45 p.m. on 23 May 2016 in room Bonn III at the World Conference Center in Bonn, Germany. On behalf of the SCF, Mr. Georg Børsting and Ms. Outi Honkatukia presented an overview of the committee's work on the coherence and coordination of forest finance and the outcomes of the 3<sup>rd</sup> forum of the SCF on forest finance. This was followed by a presentation by SCF member Mr. Paul Oquist Kelley on forest finance in climate strategies and policies.

4. In line with the objective of the side event to serve as a platform for exchanging views and information, representatives of the Green Climate Fund (GCF), the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD), the United Nations Forum on Forests (UNFF), the World Bank, the National Forestry Commission of Mexico and the Department of Energy and Climate Change (DECC) of the United Kingdom of Great Britain and Northern Ireland engaged in a discussion on the coherence and coordination of forest finance and ways and means to transfer payments for results-based actions. This was followed by a question-and-answer session.<sup>1</sup>

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<sup>1</sup> The programme of the side event is available at [http://unfccc.int/files/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/application/pdf/programme\\_scf\\_forest\\_finance\\_side\\_event.pdf](http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/programme_scf_forest_finance_side_event.pdf).

### III. Summary of presentations and discussions

#### 1. Opening remarks and overview on the committee's work on forest finance

5. Mr. Børsting facilitated the side event on behalf of the SCF. He welcomed the participants and provided a succinct overview of the work of the SCF on the coherence and coordination of forest finance, including a description of the mandate, the work completed in 2015 and activities to be conducted in 2016.

#### 2. Presentation on the outcomes of the 3<sup>rd</sup> SCF forum on issues relating to forest finance

6. Ms. Honkatukia presented the key outcomes of the SCF forum on forest finance in 2015 and highlighted that the forum resulted in concrete conclusions, which informed the SCF in 2015 on preparing draft guidance to the operating entities of the Financial Mechanism.

#### 3. Presentation on forest finance in climate strategies and policies

7. Mr. Oquist Kelley, a minister from Nicaragua, underlined that forest finance and renewable energy finance can form the backbone for financing climate strategies and policies in a way that is not a sacrifice for countries, but rather an accelerator of their development. He noted that reducing oil imports through the use of renewable energy and creating inexpensive energy for national development, as well as a forestry industry in all its dimensions for energy, construction, household goods, fibre and exports, can contribute to national sustainable development as well as to the international effort to limit the global average temperature increase to 1.5 °C above pre-industrial levels. Nicaragua follows an integrated, holistic reforestation policy that contemplates all forms of reforestation, including natural regeneration, agroforestry and silvo-pastoral activities, industrial and energy plantations, wood plantations for export and community forestry.

#### 4. Panel discussion on coherence and coordination of forest finance and ways and means to transfer payments for results-based actions

##### (a) Enhancing coherence and coordination of forest finance

8. Coordination of different sources of finance is needed to promote delivery of adequate and predictable finance. Mr. Ben Singer, representative of UNFF, underlined the importance of decoupling forest finance from forest sector financing, because a lot of financing in the latter category goes towards unsustainable practices. He highlighted the need for a holistic approach given that many sectors, including energy and agriculture, can positively influence forest management. Looking at international funding for sustainable forest management, there is an overlap between forest finance and finance for the Rio Conventions, namely between forest finance and biodiversity financing, land degradation financing and climate financing (including REDD-plus<sup>2</sup>).

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<sup>2</sup> In decision 1/CP.16, paragraph 70, the COP encouraged developing country Parties to contribute to mitigation actions in the forest sector by undertaking the following activities: reducing emissions from deforestation; reducing emissions from forest degradation; conservation of forest carbon stocks; sustainable management of forests; and enhancement of forest carbon stocks.

The nexus between climate finance and forest finance is the most dynamic area of forest financing, and is poised to play an increasingly important role in the realm of forest financing. However, in addition to forest finance and climate finance, there are plenty of other sources, including private finance for production of forest products, forestry official development assistance and mobilization of domestic resources, that need to be taken into account. Mr. Singer briefly introduced the Global Forest Financing Facilitation Network (GFFFN). Established in 2015, GFFFN is the main instrument within the UNFF to enhance coordination at the national level among different donors and among different sources. Its main functions are to promote the design of national financing strategies, build capacity in project design and formulation (i.e. through cooperation with the Global Environment Facility and the GCF) and serve as a clearing house for financing opportunities.

9. Ms. Ellysar Baroudy, representative of the World Bank's forest climate change funds, stated that the need for better coordination among providers of forest finance has been repeatedly highlighted in the past, and that a recent evaluation within the World Bank showed that coordination with other multilateral providers has improved. At the same time, there is room for improving in-country coordination with other bilateral providers. Experience has shown that the best driver for this is when the countries participating in REDD-plus take up this coordination task. Referring to coherence, Ms. Baroudy noted that it has been difficult in the past to understand the availability of finance. Earlier in 2016, the World Bank Group published two documents, the *Forest Action Plan FY16–20* and the *Climate Change Action Plan 2016–2020*, which are going to be a coherent umbrella, strengthening the World Bank's programmatic approach to finance.

10. Ms. Melissa Pinfield, representative of DECC, stated that leadership and coordination from partner governments is vital, and that the Germany–Norway–United Kingdom (GNU) partnership benefits from working with partners that have strong national commitments and strategies in place, such as Columbia. When asked by a participant about success factors in the ongoing negotiations between GNU and the Colombian Government, Ms. Pinfield responded that the strong ownership of the Colombian Government is one of the factors positively influencing the negotiations, as is the clear vision of the Colombian Government with regard to desired achievements in line with its broader development goals. She further added that the GNU framework is helpful in the sense that having a single interface among the three donors and the Colombian Government allows for coherence and coordination and also a holistic approach among donor countries.

(b) Financial support for different phases of REDD-plus

11. Mr. Juan Chang, representative of the GCF, noted in his presentation that forestry is one of eight areas of strategic impact of the GCF and that the fund will support all three phases of finance under REDD-plus. At its 8<sup>th</sup> meeting, the Board of the GCF adopted an initial model for results-based payments (RBPs) made under REDD-plus and a performance measurement framework (PMF) for RBPs under REDD-plus. The initial logic model (LM) and PMF are in line with the methodological guidance provided in the Warsaw Framework for REDD-plus. They set the groundwork for the GCF to move ahead with the operationalization of RBPs under REDD-plus. The LM and PMF may be updated as decided by the board. The overall design of the LM and PMF for RBPs under REDD-plus is in line with the Warsaw Framework for REDD-plus. While the LM and PMF provide basic frameworks within which the GCF can initiate RBPs under REDD-plus, further work is needed in order to operationalize results-based finance (RBF). In decision B.12/07, the Board of the GCF

requested the secretariat of the GCF to prepare a document for the 14<sup>th</sup> board meeting in October 2016 to pave the way for operationalization.

12. Ms. Baroudy stated that the World Bank supports all three phases of finance under REDD-plus through the existing multilateral forest climate change funds, which collectively add up to over USD 2 billion in finance, namely the BioCarbon Fund, the Forest Investment Program (FIP) and the Forest Carbon Partnership Facility (FCPF), including the Readiness Fund and the Carbon Fund. Different instruments are used by the different funds including grant finance for readiness activities provided by the FCPF and BioCarbon Fund, a mix of grants and loans for phase 2 provided by the FIP and RBF provided by the Carbon Fund. There are important linkages among the different phases of REDD-plus. More recently, the funds providing finance for readiness started to work on enabling environments, thereby pushing the boundary slightly into the investment space and phase 2 funding.

13. Ms. Pinfield highlighted that the GNU partnership made a pledge at COP 21 in Paris to increase forest finance to USD 5 billion between 2015 and 2020, including for all phases of REDD-plus. In a joint statement, the GNU partnership committed to strengthening existing and creating new partnerships with forest countries, private sector companies, the financial sector, civil society, donor governments, and indigenous peoples and local communities.

14. One participant from the audience inquired about the time frame and modalities for accessing finance from the various finance providers on the panel. Mr. Chang responded that the Board of the GCF will decide on modalities for accessing RBF later in 2016. With regard to the World Bank funds, Ms. Baroudy noted that the Readiness Fund has been designed to run until 2020 and that the FIP may be subject to a sunset clause depending on the evolution of the new financial architecture. The BioCarbon Fund and FCPF are not subject to such a clause. She highlighted that many countries that received readiness funding are beginning to document their experiences from this phase and their national strategies are being developed. At the same time, pilot countries under the Carbon Fund are developing detailed design documents that help to understand what is needed for investments and delivery. Those processes are being closely monitored by the World Bank, with a view to ensuring that there is no huge deviation from what is happening under the UNFCCC. With respect to the GNU partnership, Ms. Pinfield explained that it is envisioned that the whole range of multilateral and bilateral approaches will be needed and used to implement the commitment made at COP 21.

15. A further question from the floor referred to Article 5 of the Paris Agreement and whether the representatives of the World Bank and DECC saw a possibility of collaborating with the Adaptation Fund (AF) to make forest finance available. Ms. Baroudy highlighted that while most funds she mentioned are focused on mitigation, they often support action on both mitigation and adaptation. Furthermore, the World Bank is interim trustee of the AF and helps to monetize the proceeds. Ms. Pinfield stressed that showcasing co-benefits as well as sharing lessons learned on what finance is achieving beyond mitigation will be vital.

(c) Ways and means to transfer payments for results-based actions

16. Fabiola Navarrete, representative of the National Forestry Commission of Mexico, presented the results of a workshop for Latin American countries on RBPs under REDD-plus, held in Panama City in March 2016. Discussions focused on providing an overview of financing for payment schemes under REDD-plus for results and information gaps, experiences of countries in the region in accessing RBF under

REDD-plus, and challenges for the future and possible actions to promote access to payment on the basis of results, especially via the GCF. The participating countries in REDD-plus agreed on several general principles and highlighted critical elements for the operationalization of RBPs, including the eligibility criteria linked to the Warsaw Framework for REDD-plus and other decisions under the Convention, fair and balanced allocation of resources for RBPs under REDD-plus, and methods for transferring payments to countries participating in REDD-plus that establish clearly the requirements of the designated national entities.

17. The workshop in Panama was organized by UN-REDD, which has worked on readiness for the last five years and has begun to provide support for the second phase focused on implementation. UN-REDD is also a delivery partner of the FCPF and hosts the Central African Forestry Initiative launched at COP 21. UN-REDD was represented at the panel discussion by Ms. Jyoti Mathur-Filipp, who highlighted several possible areas for harmonization by providers of RBPs, including: the project cycle for RBPs under REDD-plus; the legal nature, value, timing and allocation of RBPs; the prioritization of countries when allocating limited resources to RBPs; the accounting of tonnes being paid for across portfolio; the screening of national strategies/action plans under REDD-plus; and the review of the UNFCCC assessment team findings from the technical assessment of forest reference emission levels and forest reference levels.

#### **IV. Further information**

18. Full details of the side event are available at <8985.php>.<sup>3</sup>

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<sup>3</sup> The programme of the side event is available at <[http://unfccc.int/files/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/application/pdf/programme\\_scf\\_forest\\_finance\\_side\\_event.pdf](http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/programme_scf_forest_finance_side_event.pdf)>.

**Annex V**

[English only]

**Draft decision on the draft guidance to the Green Climate Fund**

**Annex VI**

[English only]

**Draft decision on the draft guidance to the Global Environment Facility**



**Annex VII**

[English only]

**Workplan on measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows**

## Annex VIII

[English only]

**Workplan of the Standing Committee on Finance for 2017**

*Note: all activities of the Standing Committee on Finance (SCF) as outlined below are subject to the availability of financial resources; when providing additional mandated activities to the SCF, the Conference of the Parties may wish to take this into consideration, as well as the need for further streamlining and rationalization of the work to be conducted by the SCF in the light of capacity constraints induced by a large array of different mandates to the SCF.*

<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	2017 SCF forum	Mid-2017
		Ongoing activities of the virtual forum
	Continuous updating and implementation of the SCF communication strategy	Ongoing
	Established linkages and continued exchange with bodies and entities dealing with climate finance, internal and external to the Convention	2017 SCF forum Ongoing outreach activities of the virtual forum
(b) Maintain linkages with the Subsidiary Body for Implementation (SBI) and the thematic bodies of the Convention	Co-chairs of the SCF to inform presiding officers of the thematic bodies of the Convention about the activities of the SCF and establish working relationships	2017
	Continuous updating and implementation of the SCF communication strategy	Ongoing
	Enhance linkages with the SBI and the thematic bodies of the Convention	Ongoing

<i>Activities</i>	<i>Outcome/results</i>	<i>Time frame</i>
(c) Provide 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 23
(d) Make 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) Provide expert input, including through independent reviews and assessments, to the preparation and conduct of the periodic reviews of the Financial Mechanism by the COP	Work on expert inputs to the sixth review of the Financial Mechanism (COP 23)	2017
(f) Prepare a biennial assessment and overview of climate finance flows, to include information on the geographical and thematic balances of such flows	Work for the third biennial assessment and overview of climate finance flows	2017 Outcome at COP 24
<b>2. Further mandates of the SCF as per various decisions adopted at COP 18</b>		
<i>Decision 1/CP.18, paragraph 70:</i> Implement the work programme of the SCF, including the creation of a climate finance forum that will enable all Parties and stakeholders to, inter alia, exchange ideas on scaling up climate finance	See 1(a) above	
<i>Decision 5/CP.18, paragraph 4:</i> Facilitate the participation of the private sector, financial institutions and academia in the forum	See 1(a) above	
<b>3. Further mandates of the SCF as per various decisions adopted at COP 19</b>		
<i>Decision 3/CP.19, paragraph 11:</i> In the context of the preparation of its biennial assessment and overview of climate finance flows, consider ongoing technical work on operational definitions of climate finance, including private finance mobilized by public interventions, to assess how adaptation and mitigation needs can most effectively be met by climate finance, and to include the results in its annual report to the COP	See 1(f) above	
<i>Decision 7/CP.19, paragraph 9:</i> Consider ways to increase its work on the measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	Implemented 2017 workplan on measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	2017
	Recommendations provided to the COP, as appropriate	COP 23

<i>Activities</i>	<i>Outcome/results</i>	<i>Time frame</i>
<i>Decision 7/CP.19, paragraph 11: Consider, in its work on coherence and coordination, inter alia, the issue of financing for forests, taking into account different policy approaches</i>	Integrated financing for forest-related considerations into existing workplan where appropriate, continued work on this matter in the context of the overall issue of improving the coherence and coordination in the delivery of climate change financing	Ongoing
<b>4. Further mandates of the SCF as per various decisions adopted at COP 20</b>		
<i>Decision 6/CP.20, paragraph 11: In the context of its ongoing work, including the preparation of the biennial assessment and overview of climate finance flows, further explore how it can enhance its work on the measurement, reporting and verification of support, based on the best available information on the mobilization of various resources, through public interventions</i>	Implemented 2017 workplan on measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	2017
	Recommendations provided to the COP, as appropriate	COP 23
<b>5. Further mandates of the SCF as per various decisions adopted at COP 21</b>		
<i>Decision 1/CP.21, paragraph 45: The Adaptation Committee (AC) and the Least Developed Countries Expert Group (LEG), in collaboration with the SCF and other relevant institutions, to develop methodologies and make recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session on:</i>	Input provided to the AC and the LEG, as appropriate	2017
(a) Taking the necessary steps to facilitate the mobilization of support for adaptation in developing countries in the context of the limit to global average temperature increase referred to in Article 2 of the Agreement		
(b) Reviewing the adequacy and effectiveness of adaptation and support referred to in Article 7, paragraph 14(c), of the Agreement		
<i>Decision 1/CP.21, paragraph 63: Serve the Paris Agreement in line with its functions and responsibilities established under the COP</i>		Ongoing
<i>Decision 6/CP.21, paragraph 2: Continue to strengthen its engagement with all relevant stakeholders and bodies under the Convention</i>	Continuous updating and implementation of the SCF communication strategy	Ongoing
	Enhance linkages with the SBI and the thematic bodies of the Convention	Ongoing

<i>Activities</i>	<i>Outcome/results</i>	<i>Time frame</i>
<i>Decision 6/CP.21, paragraph 4:</i> In implementing its workplan on the measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows, to continue to engage with relevant bodies under the Convention, multilateral and bilateral agencies, and international institutions	Implemented 2017 workplan on measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	2017
<i>Decision 9/CP.21, paragraph 13:</i> Take into account the enhanced information provided by Parties included in Annex II to the Convention referred to in paragraph 6 of decision 9/CP.21 in its biennial assessment and overview of climate finance flows	Work for the third biennial assessment and overview of climate finance flows	2017 COP 24
<i>Decision 9/CP.21, paragraph 14:</i> Take into account the work on the methodologies for the reporting of financial information by Parties included in Annex I to the Convention in the context of its workplan on the measurement, reporting and verification of support	Implemented 2017 workplan on measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	2017
<b>6. Functions of the SCF as per decision 1/CP.16, paragraph 112</b>		
Improve 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
Rationalize 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
Mobilize 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
Any other functions that may be assigned to the SCF by the COP		