

Standing Committee on Finance

First meeting of the Paris Committee on Capacity-building, Bonn, 12 May, 2017



Standing Committee on Finance – Functions and Mandates

- Assist the COP in exercising its functions in relation to the Financial Mechanism (FM) of the Convention in terms of improving coherence and coordination in the delivery of climate change financing, rationalization of the FM, mobilization of financial resources, and MRV of support provided to developing country Parties;

Mandated activities

- ✓ Forum;
- ✓ Linkages with the SBI and the thematic bodies of the Convention;
- ✓ Draft guidance to the operating entities;
- ✓ Recommendations on how to improve coherence, effectiveness and efficiency of the operating entities;
- ✓ Expert input, including through independent reviews and assessments, into the preparation and conduct of the periodic reviews of the FM by the COP;
- ✓ Biennial assessment and overview of climate finance flows;
- ✓ Further mandated activities since COP 19;



Some Elements from the Summary and recommendations by the SCF

Important elements for ensuring effectiveness of climate finance:

- Ownership of climate finance and alignment of this finance with national climate change priorities and emerging policies and strategies;
- Engagement of key stakeholders across government, particularly ministries of finance and planning, and across society, including civil society and the private sector;

Challenges in accessing climate finance:

- Low levels of technical capacity to design and develop projects/programmes and to monitor and evaluate progress;
- Difficulties in following the procedures of the funds to access finance;
- Low levels of awareness of the need for action and available sources of funding;
 - "Readiness" as an example of ongoing efforts to facilitate access;
 - Investment in domestic capacity to structure and attract a range of sources of finance is needed;



Some Elements from the Summary and recommendations by the SCF on the 2016 biennial assessment and overview of climate finance flows

In its recommendations to the COP, the SCF inter alia, invited the COP to:

- Consider encouraging developing countries to take advantage of the resources available through the operating entities of the Financial Mechanism to strengthen their institutional capacity to programme their priority climate actions as well as to track and report climate finance (decision 8/CP.22, Annex);



Sixth review of the Financial Mechanism

- The COP requested the SCF to provide expert input to the sixth review, in accordance with the updated guidelines for the review adopted at COP 22;
- The review will assess capacity-building elements of the Financial Mechanism in various forms, including:
 - Capacity-building as embedded in the thematic programmes/projects across the Financial Mechanism;
 - Support provided to developing countries in bolstering their capacity and readiness, in relation to accessing climate finance;
- The SCF agreed to prepare its expert inputs on the sixth review, including conclusions and recommendations, at its 16th meeting (September 2017);



Work on draft guidance to the operating entities of the FM

- In preparing the draft guidance to the operating entities of the Financial Mechanism, the SCF uses inputs from Parties, its members and the constituted bodies;
- The SCF has compiled and is analyzing all previous guidance provided to the GEF and the GCF into a database, available at:
<www.unfccc.int/6881>
 - The database can filter a list of previous guidance with specific focus and indicate their status of implementation;
e.g. Guidance on the enabling activities provided by the GEF, the readiness support provided by the GCF, etc.



For more information please visit:

www.unfccc.int/SCF

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