

Thirteenth meeting of the Standing Committee on Finance Bonn, Germany, 18–20 July 2016

Report

Attendance

Ms. Diann Black-Layne
Ms. Purdie Bowden
Mr. Randy Caruso
Ms. Kate Downen
Ms. Outi Honkatukia (Co-Chair)
Mr. Yorio Ito
Ms. Edith Kateme-Kasajja
Mr. Stephan Kellenberger
Ms. Bernarditas Muller
Mr. Hussein Alfa (Seyni) Nafo (Co-Chair)
Mr. Kyekyeku Yaw Oppong-Boadi
Mr. Paul Herbert Oquist Kelley
Mr. Ayman Shasly
Mr. Ismo Ulvila

Virtual participation

Mr. Richard Sherman

Absent with apologies

Mr. Georg Børsting
Mr. Jozef Buys
Mr. Debasish Prusty
Mr. Mark Storey

1. Opening of the meeting

1. The thirteenth meeting of the Standing Committee on Finance (SCF) was opened at 10.30 a.m. on Monday, 18 July 2016. Owing to the delayed arrival of the non-Annex I Co-Chair of the SCF, the non-Annex I SCF members agreed to proceed with the meeting with only one Co-Chair present on the understanding that any agreement to be taken by the SCF would be postponed until such time that both Co-Chairs would be present.

2. Ms. Outi Honkatukia welcomed the two new members of the SCF, Ms. Bernarditas Muller and Mr. Debasish Prusty, and thanked Mr. Richard Sherman for his virtual participation in the meeting.

2. Organizational matters

(a) Adoption of the agenda

3. The SCF adopted the agenda contained in document SCF/2016/13/1/Rev.1 as proposed.

(b) Organization of the work of the meeting

4. The SCF took note of the proposed tentative schedule as well as the order of work for the meeting, as outlined in the annex to document SCF/2016/13/2. The SCF also agreed to the proposed priority areas of work that were presented to members by the Co-Chairs.



3. Updates on the work of the SCF during the 44th session of the subsidiary bodies

- (a) Coherence and coordination: financing for forests, taking into account different policy approaches

Proceedings

5. The SCF considered document SCF/2016/13/3. Ms. Honkatukia provided a summary of the SCF side event held in conjunction with the forty-fourth sessions of the subsidiary bodies on 23 May 2016. This was followed by a brief intervention from Mr. Paul Oquist, who summarized his presentation at the side event. Ms. Honkatukia thanked Mr. Georg Børsting and Mr. Oquist for their engagement in the preparation of, and their support during, the side event. The agenda sub-item was discussed in two plenary sessions. The outcomes of the discussions were presented to the SCF for its consideration.¹

Outcomes

6. The SCF agreed to inform the twenty-second session of the Conference of the Parties (COP) in its annual report that it will:

- a) Integrate financing for forest-related considerations into the existing workplan where appropriate, namely, work on draft guidance to the operating entities, the sixth review of the Financial Mechanism and measurement, reporting and verification (MRV) related work, including preparations for the third biennial assessment and overview of climate finance flows (BA);
- b) 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.

Next steps

7. The secretariat will circulate the draft summary of the side event to the SCF for comments by 5 August 2016. Based on comments received, the secretariat will circulate the revised summary to the SCF on 12 August 2016 for agreement on a non-objection basis by 19 August 2016. The final summary will be included as an annex to the SCF report to COP 22 (the timeline of inputs and activities prior to SCF 14 is contained in annex IV).

- (b) Long-term finance issues referred to in decision 3/CP.19, paragraph 12

Proceedings

8. The SCF took note of an oral presentation delivered by Mr. Randy Caruso on the engagement of the SCF at the in-session workshop on long-term climate finance held during the forty-fourth sessions of the subsidiary bodies.² The agenda sub-item was discussed in one plenary session.

- (c) Matters relating to the measurement, reporting, and verification of support beyond the biennial assessment and overview of climate finance flows

Proceedings

9. The SCF took note of an information note prepared by the secretariat providing an update on ongoing work related to the 2016–2017 workplan on MRV of support beyond the BA (July 2016).³ The agenda sub-item was discussed in one plenary session.

4. Forum of the Standing Committee on Finance

- (a) 2016 Forum of the Standing Committee on Finance focusing on financial instruments that address the risks of loss and damage associated with the adverse effects of climate change

Proceedings

10. The SCF took note of document SCF/2016/13/4. An update on progress in organizing the forum was provided by the co-facilitators of the agenda sub-item, who recalled the intersessional decision by the

¹ Available at <<http://unfccc.int/6881.php>>.

² Presentation slide presented by the SCF can be found at <www.unfccc.int/9518>.

³ Available at <http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/info_note_mrv_1307.pdf>.

SCF on a non-objection basis on 15 July 2016 to hold the forum in Manila, Philippines. This was followed by an update by the secretariat on logistical arrangements. A representative from the Asian Development Bank (ADB) and a representative from the Climate Change Commission of the Government of the Philippines welcomed the opportunity to host the forum in Manila and expressed their support for the preparation of the event. As input to the 2016 forum, the Co-Chair of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts (Executive Community), Ms. Shereen D'Souza, shared some of the key messages in the context of action area 7 of its initial two-year workplan. Ms. D'Souza also informed the SCF of a side event organized by the Executive Committee, which is planned for COP 22 and seeks to build on the outcomes of the SCF forum. Finally, a representative from the United Nations Environment Programme Finance Initiative (UNEP FI) addressed the SCF and offered support by bringing in regional experts from the insurance sector and hosting an evening reception for participants of the forum on 4 September 2016. The representative of UNEP FI also announced that one day after the forum (7 September 2016), an international event on climate and natural disaster risk management is to be organized by the Philippine Insurers and Reinsurers Association together with the UNEP FI Principles for Sustainable Insurance Initiative and invited SCF members to join this meeting. The agenda sub-item was discussed in two plenary sessions and two breakout group discussions. The outcomes of the discussions were presented to the SCF for its consideration.⁴ The report of the breakout group is contained in annex I.

Outcomes

11. The SCF adopted the programme of the 2016 forum, including the themes and guiding questions for the individual sessions. The SCF further agreed that the co-facilitators, with the support of the working group on this matter and the secretariat, will continue to identify speakers and resource persons for the forum and make the final programme available as soon as possible once the programme, including speakers, is set. With regard to outreach, the SCF agreed to make best use of various websites (e.g. ADB, UNEP FI, UNDP, CLIMATE-L, Green Climate Fund (GCF), etc.) and webcasting of the forum. The SCF also agreed that, as in the past, a draft summary of the forum's outcomes, including conclusions and recommendations, will be prepared and annexed to the SCF report to COP 22.

Next steps

12. As requested by the SCF, the forum programme was uploaded on the SCF forum website.⁵ The SCF invited its members and observers to provide suggestions on speakers and resource persons by 29 July 2016 (the timeline of inputs and activities prior to SCF 14 is contained in annex IV).

(b) Discussions on the theme for the 2017 Forum of the Standing Committee on Finance

Proceedings

13. The SCF took note of document SCF/2016/13/5. The agenda sub-item was discussed in two plenary sessions and two breakout group discussions, which were facilitated by Ms. Edith Kateme-Kasajja and Mr. Ismo Ulvila. The outcomes of the discussions were presented to the SCF for its consideration.⁶ The report of the breakout group is contained in annex II.

Outcomes

14. The following options for topics for the 2017 forum were identified:

- (a) Framing of the forum in the context of how to achieve the goals as set out in Article 2 of the Paris Agreement;
- (b) How to support the implementation of (intended) nationally determined contributions and nationally determined contributions?
- (c) Possible phase II of previous forums, e.g. the 2016 forum, to address open questions;
- (d) Climate finance in the context of sustainable development and available financing and mitigation and adaptation co-benefits;
- (e) Access to and predictability of climate finance.

⁴ Available at <<http://unfccc.int/6881.php>>.

⁵ Available at <<http://unfccc.int/9410.php>>.

⁶ Available at <<http://unfccc.int/6881.php>>.

15. It was highlighted 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. Furthermore, there was a general understanding that further suggestions for topics could be made in advance of and during SCF 14. A working group was established for this agenda sub-item. Members signed up for the working group and Mr. Ulvila agreed to co-facilitate the group.

Next steps

16. It was agreed to conduct further deliberations on this matter on an intersessional basis, including consultations within regional constituencies. Furthermore, it was agreed to finalize deliberations on the topic during SCF 14 (the timeline of inputs and activities prior to SCF 14 is contained in annex IV).

5. 2016 biennial assessment and overview of climate finance flows

Proceedings

17. The SCF took note of document SCF/2016/13/6, a reflections note by the co-facilitators of the working group on the 2016 BA. It also took note of the first order draft of the SCF. The agenda sub-item was introduced and discussed further in the context of three technical sessions. The outcomes of the technical session discussions fed into the 2nd technical meeting, which took place on 21 July 2016.⁷

Outcomes

18. The SCF had rich discussions on the first order draft of the technical report of the 2016 BA and the outline and elements of the summary and recommendations. Members noted a number of areas that require further work, including:

- a) Generating insights on the financial instruments from the information contained in the second biennial reports and other data sets;
- b) The state of play with regard to the harmonization of reporting approaches and convergence in the operational definitions of climate finance used;
- c) Deeper analysis of financial information included in the biennial reports and biennial update reports to aid the SCF in identifying specific areas for further improvements in the current MRV arrangements in general and the reporting system of the Convention more specifically, with a view to informing work relating to transparency of support in accordance with the Paris Agreement;
- d) Further analysis of data on climate finance received to strengthen the technical report;
- e) Compiling any other available data on sectors such as energy efficiency and sustainable transportation;
- f) Trends analysis of the sub-flows.

19. Furthermore, there was agreement to streamline the technical report, drawing out more substantive key messages, and thoroughly discussing the underlying data sets and how they are being treated.

20. With regard to the structure of the draft summary and recommendations, members suggested that the order of challenges and limitations and recommendations be switched and subheadings introduced. Some members were of the view that the findings section could be structured around the three elements of MRV.

21. Members agreed to include, inter alia, information on financial instruments, geographic and thematic distribution of climate finance flows with additional findings on trends and recipient countries' perspectives. The SCF noted that the 2016 BA will build on and cross-reference recommendations contained in the 2014 BA, albeit with more specific recommendations.

Next steps

22. The technical discussions were to be continued in the 2nd BA technical meeting (21 July 2016) with the active participation of data providers and other climate finance stakeholders.

⁷ Available at <<http://unfccc.int/6881.php>>.

23. The SCF was invited to provide written comments on the first order draft and the outline of the summary and recommendations, including views on possible recommendations, by 15 August 2016.

24. The technical team, under the overall guidance of the BA co-facilitators, will prepare the final draft of the technical report intersessionally.

25. The BA co-facilitators, with the support of the secretariat, will prepare a draft summary and recommendations intersessionally and circulate it to the SCF for further consideration. The co-facilitators will convene webinars as necessary (the timeline of inputs and activities prior to SCF 14 is contained in annex IV).

6. Draft guidance to the operating entities of the Financial Mechanism

Proceedings

26. The SCF took note of document SCF/2016/13/7 and a presentation delivered by Ms. Diann Black-Layne on the intersessional activities undertaken by the co-facilitators, including participation in the meetings and workshop related to the Financial Mechanism⁸, work on the updated compilation and synthesis of previous guidance provided to the operating entities of the Financial Mechanism, the frequency of guidance to the operating entities and on initial consideration of draft guidance to the operating entities in 2016. This agenda item was discussed in two plenary sessions and two breakout group sessions. The outcomes of the discussions were presented to the SCF for its consideration.⁹ The report of the breakout group is contained in annex III.

Outcomes

27. Based on the discussions that took place in the breakout group on draft guidance to the operating entities of the Financial Mechanism, the SCF agreed on a set of recommendations to be included in its report to COP 22. The recommendations refer to:

- (a) The issue of frequency of guidance to be provided to the GCF;
- (b) Preparation of draft core guidance to the operating entities of the Financial Mechanism.

28. The recommendations as agreed upon by the SCF are contained in the report of the breakout group on this agenda item, as contained in annex III.

Next steps

29. The SCF agreed to take on the activities listed in the appendix to annex III, which includes inviting the SCF members, the thematic bodies and observers to provide inputs and feedback on the updated compilation and analysis of previous guidance to the operating entities. It also includes inviting the thematic bodies to utilize the updated compilation and analysis in preparing their inputs on the draft guidance to the operating entities in 2016 (the timeline of inputs and activities prior to SCF 14 is contained in annex IV).

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

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30. The agenda item was introduced in one plenary session. Mr. Caruso and Mr. Kyekyeku Yaw Oppong-Boadi provided oral reports on their respective engagement in the national adaptation plans (NAPs) task force, the NAP Expo, and the work of the Adaptation Committee and the Least Developed Countries Expert Group in response to decision 1/CP.21, paragraph 45.

Outcomes

31. Regarding the mandate contained in decision 1/CP.21, paragraph 45, it was acknowledged that further discussions are necessary on the part of the SCF, bearing in mind the past work it has conducted on various matters.

Next steps

⁸ More details are available in document SCF/2016/13/7, paragraph 17.

⁹ Available at <<http://unfccc.int/6881.php>>.

32. The SCF will engage in substantive discussions on this agenda item during SCF 14.

8. Other matters

33. Various options regarding meeting dates for SCF 14 were discussed. The Committee agreed that the Co-Chairs will consult members to finalize the meeting dates within two weeks after the closing of SCF 13.

34. In the context of discussions on the meeting dates for SCF 14, members raised the issue of possible temporary replacement of and/or alternates for SCF members. It was acknowledged that further discussions on this matter would be necessary. The possibility of virtual participation, for example via videoconferencing, was also raised.

35. With regard to the review of the functions of the SCF, in line with decision 6/CP.21, paragraph 11, members were reminded of discussions that took place during the retreat of the SCF on 5 April 2016, during which members engaged in initial discussions on this matter, as well as the potential role of the SCF under the Paris Agreement. It was agreed that the background documents prepared by the secretariat for those discussions, as well as the summary of discussions that took place during the retreat, would be circulated to members. The Co-Chair noted that submissions by SCF members were due on 21 September 2016. Some members indicated the intention of their constituency to prepare a submission on this subject matter.

36. It was agreed to allocate an agenda item during SCF 14 to this matter to allow for substantive discussions, bearing in mind the deadline of 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.

37. Furthermore, the Co-Chairs briefed the SCF that, following the invitation from the GCF Board Co-Chairs for a conference call on the Board's initial response on complementarity and coherence with relevant institutions, including the SCF, they will report back to the SCF after the conference call. Mr. Sherman informed the SCF of the recent decisions taken by the GCF Board to ensure complementarity and coherence with the thematic bodies under the Convention, in accordance with the Governing Instrument for the Fund and relevant COP guidance.

38. The SCF agreed to adopt the report of its thirteenth meeting intersessionally.

39. The list of participants at SCF 13 is available on the UNFCCC website.¹⁰

9. Closure of the meeting

40. The thirteenth meeting of the SCF was closed at 5 p.m. on Wednesday, 20 July 2016.

¹⁰ See <<http://unfccc.int/6881>>.

Annex I. Report of the breakout group on the 2016 forum of the Standing Committee on Finance (agenda sub-item 4(a))

Summary of the discussions

1. During the first breakout group, the co-facilitators presented the previously circulated draft programme of the forum for a first round of general comments. Participants generally welcomed the overall structure and content of the draft programme.
2. There was a general understanding that the forum should focus particularly on country experiences and cover different levels (e.g. local, national and regional) while also paying attention to the most vulnerable groups. It was also stated that the forum should contribute to enhancing the understanding of the respective roles and functions of the public and private sectors. Furthermore, participants highlighted the importance of anchoring financial instruments in strategies and plans (e.g. national adaptation plans, intended nationally determined contributions).
3. The co-facilitators welcomed the views expressed by participants. A revised draft programme was prepared by the co-facilitators. There was overall appreciation of the revised draft programme by the breakout group in the afternoon session.

Agreements reached in the breakout group

4. The breakout group agreed on the following:

Revised draft programme

5. To present the revised draft programme to the plenary for consideration and adoption by the Standing Committee on Finance (SCF);
6. To propose to the SCF that the co-facilitators and the working group, with the support of the secretariat, will continue to identify the final list of speakers and resource persons.

Next steps

Draft programme:

7. The SCF is to request the secretariat to upload the approved programme of the forum on the SCF website;
8. SCF members and observers will be invited to provide suggestions on speakers by **29 July 2016**;
9. The final programme, including speakers, will be made available as soon as possible;

Outreach:

10. The SCF is to make best use of various websites (e.g. Asian Development Bank, United Nations Environment Programme Finance Initiative, United Nations Development Programme, CLIMATE-L, Green Climate Fund, etc.) and webcasting of the forum;

Forum report:

11. As in the past, a draft summary of the forum's outcomes, including conclusions and recommendations, is to be prepared and annexed to the SCF report to the twenty-second session of the Conference of the Parties.

Appendix: Revised draft programme (see separate document circulated to the SCF on 19 July).

Annex II. Report of the breakout group on the 2017 forum of the Standing Committee on Finance (agenda sub-item 4(b))

Summary of the discussions

1. Reference was made to the background document (SCF/2016/13/5) containing various suggestions, as well as the initial round of discussions during plenary on day 1 of the thirteenth meeting of the Standing Committee on Finance (SCF), and one presentation was delivered on elements and instruments to implement intended nationally determined contributions as put forward by the European Union to kick-start discussions.
2. Overall, it was highlighted that the forum needs to be interesting and add specific value. It was suggested that the forum needs to try to assist Parties in unpacking the thinking contained in the Paris Agreement. One concrete suggestion made was that the forum should not be seen as a one-off event, but rather as a continuing effort with possibly multiple phases.
3. Concrete suggestions were made for the topics of the forum, including:
 - (a) Framing of the forum in the context of how to achieve the goals as set out in Article 2 of the Paris Agreement:
 - i. Could cover a wide range of issues and offer umbrella for other topics, and would suit overall profile of the SCF;
 - ii. How could the SCF contribute to shifting/unlocking the trillions needed in line with Article 2?
 - iii. Need to identify more how the framing of the 1.5 °C target could contribute to the transformational impact needed with regard to mitigation and adaptation (scale and level of action);
 - iv. Outcome of the biennial assessment could be connected with Article 2;
 - v. How to achieve the purpose/objective of the Paris Agreement through intended nationally determined contributions (INDCs);
 - vi. Link to the 2018 facilitative dialogue;
 - vii. Specific investment opportunities arising from Article 2;
 - viii. Sequencing issues (Intergovernmental Panel on Climate Change (IPCC) forthcoming report related to 1.5 °C /2018 facilitative dialogue);
 - ix. How to link the evidence given by science to needs and to climate finance?
 - x. Look into inverse relationship between mitigation and adaptation;
 - (b) How to support the implementation of (I)NDCs?
 - (c) How do certain countries/regions finance nationally determined contributions (NDCs), looking, for example, at different regional dialogues on INDCs? What are the requirements for Parties to address INDCs, notably how to address financing barriers?
 - i. How could investment strategies be aligned with country priorities and strategies?
 - ii. What types of instruments are available to finance INDCs, including new and creative instruments such as green bonds?
 - iii. Many INDCs are conditional; the forum could look into matching between expectations and reality, and into the relationship between INDCs and the 1.5 °C goal – that is, what are the gaps between scientific pathways and the financing needs, and how can the SCF function as a catalyst between public and private funding?
 - (d) Possible phase II of previous forums, e.g. the 2016 forum, to address open questions;
 - (e) Climate finance in the context of sustainable development and available financing and mitigation and adaptation co-benefits;

How could the support to the implementation of INDCs be framed in the context of the sustainable development goals?
 - (f) Access to and predictability of climate finance:
 - (g) Could also be addressed as part of any other topic, such as those mentioned in paragraph 3(b) above.

Agreements reached in the breakout group

4. The breakout group agreed to suggest the following options for consideration by the SCF, highlighting that different options could be combined (e.g. (a) and (d) below), 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:

- (a) Framing of the forum in the context of how to achieve the goals as set out in Article 2 of the Paris Agreement;
- (b) How to support the implementation of (I)NDCs?
- (c) Possible phase II of previous forums, e.g. the 2016 forum, to address open questions;
- (d) Climate finance in the context of sustainable development and available financing and mitigation and adaptation co-benefits;
- (e) Access to and predictability of climate finance.

Next steps

5. The proposed way forward, in case the SCF does not reach a final agreement on the topic of the 2017 forum during SCF 13, would be to conduct further deliberations on an intersessional basis, including consultations within regional constituencies, with a view to finalizing deliberations on the topic during SCF 14, bearing in mind the limited amount of time available during that meeting.

Plenary discussions

6. During the plenary discussion based on the report back to plenary, one suggestion was made to include the issue of gender into whatever option is chosen by the SCF, for example, through dedicating a specific session to this matter. Furthermore, the issue of scale was brought up as interesting matter to look into. Bearing in mind the sequencing of, for example, the release of the IPCC report related to the 1.5 °C goal was also mentioned. Suggested amendments to the proposed topics were implemented in the report of the breakout group.

Annex III. Report of the breakout group on draft guidance to the operating entities of the Financial Mechanism (agenda item 6)

Summary of the discussions

1. The co-facilitator Ms. Diann Black-Layne noted with regret that her fellow co-facilitator Mr. Jozef Buys was not able to attend. She introduced the agenda item and highlighted the three areas of work, namely: draft core guidance; frequency of guidance to the operating entities of the Financial Mechanism; and draft guidance to the operating entities of the Financial Mechanism in 2016. Four Standing Committee on Finance (SCF) members¹ and sixteen observers participated in the breakout group.

Preparation of draft core guidance to the operating entities

2. Ms. Black-Layne, supported by the secretariat, gave a presentation on how the compilation and analysis (C&A) was updated and reorganized, as outlined in the background document (SCF/2016/13/7). She demonstrated how the C&A may serve as a useful tool, in particular for the thematic bodies, to categorize previous guidance in a cross-cutting manner and distinguish ongoing guidance from that which might be retiring. The breakout group expressed its appreciation for the work undertaken by the co-facilitators.

3. The breakout group noted the usefulness of the C&A for specific client groups, including the operating entities and their accredited institutions, the thematic bodies and other specialized groups, such as those working on gender and social issues.

4. The group proposed that the C&A should be maintained on the SCF website, to be annually updated with the latest guidance from the Conference of the Parties (COP) to the operating entities. In this context, the group suggested that the C&A be shared with the operating entities to exchange feedback on how to collaborate with the SCF in updating the C&A annually and further identify practical areas of use. It was suggested that the annual reports from the Global Environment Facility (GEF) and the Green Climate Fund (GCF) could be adjusted to facilitate the updating of the C&A.

5. The group discussed that this could be a useful tool for bringing greater clarity to guidance.

Frequency of guidance to the operating entities

6. The breakout group reiterated the purpose of considering this issue, including allowing adequate time for the operating entities to undertake the guidance received and demonstrate the results, and to simplify the negotiations and reporting requirements.

7. Participants in the breakout group exchanged general views on the potential future guidance to the operating entities by way of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement.

8. The breakout group had a discussion with the GCF representative and generally agreed that annual guidance to the GCF is an appropriate frequency, in the light of the early stage of operationalization of the GCF.

9. With regard to the GEF, discussions took place on the less frequent guidance provided by other Rio Conventions and its impact on the quality of projects and programmes. Some participants in the breakout group proposed that the SCF could prepare thematic areas along which the GEF can focus its annual report, so that guidance can be provided annually but on certain thematic areas. The breakout group could not reach a conclusion on the frequency of guidance to the GEF and proposed that its discussion be continued at a later date.

Draft guidance to the operating entities in 2016

10. The breakout group initiated its discussion on this topic, taking note of the elements of strategic guidance that the SCF considered at its previous meeting² and the latest draft annual report of the GCF to the COP.

11. The representatives of the operating entities briefed the breakout group with their respective latest developments and informed the group that official reports will be available in due course.

12. The group elaborated areas that could be considered by the SCF in preparing the textual inputs to the draft guidance, including: funding for biennial update reports, funding for national adaptation plans country ownership, programmatic approaches, funding for technology, funding for REDD-plus, replenishment of the operating entities, accreditation and direct access.

¹ Ms. Diann Black-Layne, Ms. Outi Honkatukia, Mr. Kyekyeku Yaw Oppong Boadi and Ms. Bernarditas Muller.

² SCF/2016/12/10, paragraph 33.

13. The co-facilitators encouraged the SCF members to utilize the C&A to streamline their textual inputs, which will be compiled ahead of SCF 14 to be used as a basis for developing draft guidance by the SCF.

Agreements reached in the breakout group

14. Based on the discussions that took place, the breakout group proposes that the SCF report to COP 22 as follows:

Preparation of draft core guidance to the operating entities

15. In the context of conducting an analysis of past guidance provided in order to identify a set of core guidance that will serve as a basis for the provision of future guidance, the COP may wish to note the progress made in 2016, including the work of the SCF on the C&A (which will be available on the SCF website) and outreach to other thematic bodies for enhanced transparency and coordination.

16. The SCF will annually update the C&A with guidance from the COP as it emerges. The SCF recommends 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 C&A.

17. Based on this approach, the SCF proposes to undertake further work in 2017 with a view to preparing its recommendations on the draft set of core guidance by COP 23.

18. The SCF recommends that the revised C&A be consulted by the thematic bodies and the Parties develop their inputs to draft guidance to the operating entities, as a way of reducing repetitiveness and enhancing coherence in guidance.

Frequency of guidance to the operating entities

19. The SCF recommends that guidance to the GCF 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 development under the Convention and the GCF.

Next steps

20. The breakout group proposes the next steps as contained in the appendix, including for its work in 2017.

Appendix: Timeline of work

PREPARATION OF DRAFT GUIDANCE TO THE OPERATING ENTITIES OF THE FINANCIAL MECHANISM IN 2016						
	2016			2017		
	August	September	COP 22	SCF 15	SCF 16, SCF 17	COP 23
Deadline for Parties' input on the elements to be taken into account in developing guidance to the OEs	29 <i>(10 wks prior to COP 22)</i>					
Deadline for inputs from the SCF members for textual inputs on the draft decision on the guidance to the operating entities of the Financial Mechanism		2 weeks prior to SCF 14				
Deadline for inputs from the thematic bodies for their inputs on the draft decision on the guidance to the operating entities of the Financial Mechanism		After the final meetings of AC/TEC TEC: 6–9 Sept AC: 13–15 Sept				
Compilation of inputs		To be distributed at SCF 14				
Prepare draft decision text and report to COP 22		SCF 14	X			
DRAFT SET OF CORE GUIDANCE						
Deadline for inputs and feedbacks from the SCF members, observers and the thematic bodies on the C&A		end of September				
Revise, update and upload the C&A, based on the received inputs and feedback		Mid October				
Update the C&A based on the latest guidance from COP 22 and identify elements that could serve as a basis for draft set of core guidance				Prior to SCF 15		
Resume discussion on the draft set of core guidance				X	X	
Report to COP 23 with recommendation of the SCF on the draft core guidance						X
FREQUENCY OF GUIDANCE						
Continuation of the discussion on the frequency of guidance to the GEF		SCF14		TBD		

Annex IV. Timeline of inputs and activities prior to the fourteenth meeting of the Standing Committee on Finance

Area of inputs/work to be undertaken	Work to be undertaken by working groups/co-facilitators/task teams/secretariat	Inputs to be provided by SCF members	Timeline
Coherence and coordination: financing for forests	<ul style="list-style-type: none"> Secretariat will revise the draft summary of the side event, contained in the annex to document SCF/2016/13/3, based on comments received by SCF members and will send the revised summary to the SCF on a non-objection basis 	<ul style="list-style-type: none"> SCF members to provide comments on the draft summary of the side event 	<ul style="list-style-type: none"> Comments of SCF members by 5 August Revised draft summary to be sent to SCF no later than 12 August (for agreement on a non-objection basis by 19 August)
2016 forum	<ul style="list-style-type: none"> Secretariat to upload the approved programme including the themes and guiding questions of the forum on the SCF website. Co-facilitators and the working group, with the support of the secretariat, will continue to identify the final list of speakers and resource persons The final programme will be made available as soon as possible, once speakers are set 	<ul style="list-style-type: none"> Invitation to SCF members and observers to provide suggestions on speakers by 29 July 	<ul style="list-style-type: none"> Uploading of the programme immediately after SCF 13 Suggestions for speakers by SCF members by 29 July Uploading of the final programme as soon as possible, once speakers are set
2017 forum		<ul style="list-style-type: none"> SCF members to continue deliberations on the possible topics and conduct outreach activities as appropriate 	n/a
Draft guidance to the operating entities of the Financial Mechanism	<p><u>Preparation of draft guidance to the operating entities in 2016</u></p> <ul style="list-style-type: none"> The co-facilitators will compile the textual inputs to be received from the SCF members, the thematic bodies and the Parties and present them at SCF 14 The thematic bodies will be invited to utilize the updated compilation and analysis of previous guidance provided to the operating entities in their deliberation on the need for and nature of further guidance <p><u>Preparation of Compilation and Analysis</u></p> <ul style="list-style-type: none"> Call for inputs and feedback on the updated compilation and analysis will be issued to the SCF members, observers and the thematic bodies The compilation and analysis will be revised and uploaded on the SCF website prior to COP 22 	<p><u>Preparation of draft guidance to the operating entities in 2016</u></p> <ul style="list-style-type: none"> SCF members to submit textual inputs on the draft guidance for compilation by the co-facilitators. In their deliberation, they are invited to utilize the updated compilation and analysis <p><u>Preparation of Compilation and Analysis</u></p> <ul style="list-style-type: none"> SCF members to provide inputs and feedback on the updated compilation and analysis 	<p><u>Preparation of draft guidance to the operating entities in 2016</u></p> <ul style="list-style-type: none"> Deadline for textual inputs from the SCF members: 2 weeks prior to SCF 14 Compilation of inputs received to be distributed at SCF 14 <p><u>Preparation of Compilation and Analysis</u></p> <ul style="list-style-type: none"> Deadline for inputs and feedback on the compilation and analysis: end of September
2016 biennial assessment and overview of climate finance	<ul style="list-style-type: none"> The technical team will prepare the final draft of the technical report intersessionally Following comments received from SCF members, the BA co- 	<ul style="list-style-type: none"> SCF members to provide comments on first order draft and outline of summary and recommendations, including views on 	<ul style="list-style-type: none"> Comments by 15 August

Area of inputs/work to be undertaken	Work to be undertaken by working groups/co-facilitators/task teams/secretariat	Inputs to be provided by SCF members	Timeline
flows	facilitators, with the support of the secretariat, will prepare a draft summary and recommendations intersessionally and circulate it to the SCF for further consideration. The co-facilitators will convene webinars as necessary	possible recommendations	
SCF 13 meeting report	<ul style="list-style-type: none"> Co-Chairs, with the support of the secretariat, will write the report and make it available to SCF members on a non-objection basis 		2 weeks after SCF 13
SCF 14 provisional agenda	<ul style="list-style-type: none"> Co-Chairs with the support of the secretariat 		tbc
SCF 14 annotations to the provisional agenda	<ul style="list-style-type: none"> Co-Chairs with the support of the secretariat 		tbc
COP 22 report outline	<ul style="list-style-type: none"> Co-Chairs with the support of the secretariat 		tbc

Annex V. Background documents for the thirteenth meeting of the Standing Committee on Finance

<i>Title</i>	<i>Symbol</i>
Background paper on the coherence and coordination: financing for forests, taking into account different policy approaches	SCF/2016/13/3
Background paper on the 2016 Forum of the Standing Committee on Finance	SCF/2016/13/4
Background paper on the 2017 Forum of the Standing Committee on Finance	SCF/2016/13/5
Background paper on the 2016 biennial assessment and overview of climate finance flows	SCF/2016/13/6
Background paper on the draft guidance to the operating entities of the Financial Mechanism	SCF/2016/13/7
