

Standing Committee on Finance Fourth Meeting

Background paper on approaches for maintaining linkages with the Subsidiary Body for Implementation and the thematic bodies of the Convention

I. Background

1. The Conference of the Parties (COP), at its seventeenth session, decided that the Standing Committee on Finance (SCF) shall maintain linkages with the Subsidiary Body for Implementation (SBI) and the thematic bodies of the Convention.

2. The work programme of the SCF for $2013-2015^{1}$, indicated that the committee will present recommendations on linkages to COP 19. The SCF furthermore indicated that it will establish linkages with the SBI by COP 19 and that linkages with the thematic bodies of the Convention is an on-going activity.

3. Several committee members called for the development and strengthening of the linkages with other thematic bodies under the Convention such as the Adaptation Committee (AC) and the Technology Executive Committee (TEC) as well as the Green Climate Fund (GCF) Board and the Adaptation Fund Board (AFB) during the third meeting of the SCF, which is also stated in the report of this meeting.²

4. The SCF may wish to engage in a strategic discussion on how it wishes to proceed on this matter, taking into consideration the mandates that were provided to the SCF and said bodies, as well as recent developments.

II. Background and context

A. Possible areas of linkages and duplication between the SCF and the SBI

5. At the first meeting of the SCF, the committee discussed areas of potential overlaps between the SCF and the SBI, including the following:

• Provision to the COP of draft guidance for the operating entities of the financial mechanism, which both;

• Providing expert input into the preparation and conduct of the periodic reviews of the financial mechanism;

• Recommendations related to the arrangements for the operational linkages between the COP and the operating entity or entities³.

6. Some of those potential overlaps and duplications have been clarified at COP 18. Nonetheless, there are still some areas where no such definite guidance has been provided by the COP.

7. Areas, where such guidance has been provided, include:

a) The provision of draft guidance for the operating entities of the financial mechanism:

• **GCF:** In decision 6/CP.18, the COP decided to provide initial guidance to the GCF at COP 19. According to decision 2/CP.17, paragraph 121 (c), the SCF is to provide draft guidance for the operating entities of the financial mechanism of the Convention.

• **GEF:** According to decision 9/CP.18, the GEF is to submit to SBI 38 information on the status of resources available for programming in its fifth replenishment period, and on any possible contingency measures regarding the allocation of resources for implementing climate change projects. The SCF was

¹ As contained in FCCC/CP/2012/4.

² As contained in SCF/2013/3/7.

³ According to decision 6/CP.1, the SBI is to make recommendations related to the arrangements for the operational linkages between the COP and the operating entity or entities.



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requested to provide to the COP at each of its sessions, beginning in 2013, draft guidance for the GEF, based on the annual report of the GEF to the COP and the views submitted by Parties.

b) The Least Developed Countries Fund (LDCF):

• The COP, in its decision 10/CP.18, invited Parties and relevant organizations to submit, by 1 August 2014, information on their experiences with the implementation of the remaining elements of the least developed countries (LDC) work programme, for consideration by SBI 41. The secretariat was requested to prepare a synthesis report on the progress made in the implementation of the remaining elements of the LDC work programme, for consideration by SBI 41. Additionally, SBI 41 was requested to consider the progress made in the implementation of the remaining elements of the LDC work programme, including the updating and implementation of national adaptation programmes of action, with a view to COP 20 determining, appropriate further guidance to be provided to the LDCF.

c) The arrangements between the COP and the GCF:

• Decision 7/CP.18 requested the SCF and the Board of the GCF to develop arrangements between the COP and the GCF, for agreement by the Board and subsequent agreement by COP 19.

8. No such clear guidance has been given by COP 18 in terms of the fifth review of the financial mechanism:

• The COP, in decision 8/CP.18, requested the SCF to further amend the guidelines for the review of the financial mechanism, and to provide draft updated guidelines for consideration and adoption by COP 19. Additionally, the SCF was requested to provide periodic updates on the status of its work relating to the fifth review to the SBI for its consideration, beginning at SBI 38, with the aim of ensuring an inclusive and transparent process.

9. However, COP 18 did not provide guidance on the question, which body will be conducting the fifth review itself. Guidance should be provided on this issue by COP 19.

III. Linkages with the thematic bodies of the Convention and other bodies and processes

10. As outlined in the background document prepared for the first meeting of the SCF^4 , the SCF may wish to consider, how to maintain linkages and to liaise with the thematic bodies under the Convention. The SCF has already initiated cooperation with such bodies, e.g. via the participation of the co-chairs in meetings of the bodies, including, for example, one meeting of the TEC and the GCF Board respectively. For the fourth meeting of the SCF, chairs and co-chairs of the various bodies under the Convention were invited, providing for an opportunity to both, informally consult with those representatives, as well as to offer them the opportunity to provide information updates on the work undertaken by these bodies.

11. Furthermore, the COP, in decision 4/CP.18, requested the SCF to support the implementation of the work programme on long-term finance by providing expert inputs. For more information, please refer to document SCF/2013/4/7 that was prepared for the fourth meeting of the SCF. The SCF may wish to consider, how to establish close cooperation with the co-chairs of the work programme on long term finance.

12. The COP, in decision 1/CP.18, also requested the SCF, in initiating the first biennial assessment and overview of climate finance flows, to take into account relevant work by other bodies and entities on the measurement, reporting and verification (MRV) of support and the tracking of climate finance. For more information, please refer to document SCF/2013/4/8 that was prepared for the fourth meeting of the SCF. The SCF may wish to consider, how to establish close cooperation and linkages with internal and external stakeholders involved in the issue of MRV of support, including, for example, the Subsidiary Body for Scientific and Technological Advice.

 $^{^{4}}$ As contained in SC/2012/1/5.