

STANDING COMMITTEE ON FINANCE



The Standing Committee on Finance assists the COP with respect to the Financial Mechanism, and undertakes technical work on climate finance in line with its mandated functions, namely:



Improving coherence and coordination in the delivery of climate finance



Rationalization of the Financial Mechanism



Mobilization of financial resources



MRV of support to developing country Parties

The SCF conducts various activities to fulfill these functions and develops technical findings and recommendations for the COP, to help Parties make informed decisions relating to climate finance in the UNFCCC process. The activities and outputs of the SCF are also increasingly becoming sources of reference for enhanced ambition and climate action at the regional and country levels.

BIENNIAL ASSESSMENT AND OVERVIEW OF CLIMATE FINANCE FLOWS

PERIODIC REVIEWS OF THE FINANCIAL MECHANISM

GUIDANCE TO OPERATING ENTITIES OF THE FINANCIAL MECHANISM

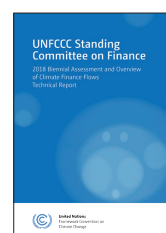
DETERMINATION OF NEEDS OF DEVELOPING COUNTRY PARTIES RELATED TO IMPLEMENTING THE CONVENTION AND THE PARIS AGREEMENT

SCF FORUM

STAKEHOLDER ENGAGEMENT

Biennial Assessment and Overview of Climate Finance Flows

One of the flagship products of the SCF is the **Biennial Assessment and Overview of Climate Finance Flows (BA)**. The BA is the most comprehensive global report that provides the latest overview of climate finance flows and assessment since 2010.



The **2018 BA** considers the implications of these flows and assesses their relevance to international efforts to address climate change. It explores:

- > The key features of climate finance flows, including composition and purposes;
- > Emerging insights into the effectiveness of climate finance, access, and ownership and alignment of climate finance with beneficiary country needs and priorities;
- > Developments in the MRV of climate finance flows at the international and domestic level and;
- > Insights into impact reporting practices.

In addition to climate finance flows, the 2020 BA, for the first time, will also include information related to **tracking progress on Article 2.1(c) of the Paris Agreement**, which is related to making finance flows consistent with a pathway toward low GHG emissions and climate-resilient development.

The information and recommendations emanating from the BAs serve as an important reference for Parties' discussions and decision-making, particularly in the context of long-term climate finance and the high-level ministerial dialogues on climate finance flows.



United Nations
Framework Convention on
Climate Change

> Engagement with thematic bodies of the Convention and stakeholders

In the spirit of strengthening the delivery of its work, the SCF members engage with the many constituted bodies of the Convention, regularly participate in events, and invite members of the bodies to participate in the Forums. Focal points of the SCF collaborate on important workstreams of the Convention related to adaptation, technology, capacity-building, gender, and loss and damage.



Periodic reviews of the Financial Mechanism

Every 4 years, the SCF conducts technical analysis on the Financial Mechanism, based on the terms of reference set by the COP, and diagnoses the Mechanism to address any strategic issues that may require Parties' attention.¹

The **sixth review of the Financial Mechanism**, in line with the terms of references looked at governance, responsiveness of the operating entities of the Financial Mechanism to guidance from the Conference of the Parties, mobilization of financial resources, delivery and effectiveness of financial resources, results and impacts achieved with the resources provided, consistency and complementarity with the objective of the Convention, between operating entities, and other sources of investment and financial flows.

¹ <https://unfccc.int/topics/climate-finance/workstreams/review-of-the-financial-mechanism>

Guidance to operating entities of the Financial Mechanism

Annually, the SCF provides to the COP, **a draft guidance for 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 submissions from Parties**. In preparing the draft guidance, the SCF assesses whether the submissions are in line with the mandates of the operating entities, the requested action is currently undertaken by the operating entities, and if the guidance is not contradictory to, or duplicative of, any previous guidance.



Determination of needs of developing country Parties related to implementing the Convention and the Paris Agreement

The COP requested the SCF to prepare, every four years, a report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement. The first report will be available before COP26. More information can be viewed [here](#).

SCF Forums

- > As another flagship product, the Committee regularly organizes SCF Forums. **SCF Forums connect the UNFCCC with public and private actors involved in climate finance issues at global, regional and national levels**. SCF Forums have facilitated exchange of information on a range of topics, highlighted collaborations by all climate finance actors within and outside the UNFCCC and promoted linkages and coherence.
- > SCF Forums have served as a confluence between the decision-making process under the UNFCCC and experiences and lessons learnt from the climate finance practitioners on the ground.²
- > The next Forum of the SCF in 2020 will explore the topic of **financing nature-based solutions**.

² <https://unfccc.int/topics/climate-finance/meetings--events/scf-forum>

