



Standing Committee on Finance
Twenty-third meeting of the Standing Committee on Finance
Virtual, 16–17 December 2020

08 December 2020

Background paper on the Fourth Biennial Assessment and Overview of Climate Finance Flows (2020)

Expected actions by the Standing Committee on Finance

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

- a) Provide guidance on the second-order draft of the technical report of the Fourth Biennial Assessment and Overview of Climate Finance Flows (2020) (Fourth BA);
- b) Provide additional guidance for intersessional work in advance of the twenty-fourth meeting of the SCF.

I. Possible actions for consideration by the SCF

1. The SCF may wish to consider the second-order (work-in-progress) draft of the technical report of the Fourth BA with a view to assess progress and provide guidance for the development of the next draft.
2. Provide any additional guidance for intersessional work in advance of the twenty-fourth meeting of the SCF.

II. Background

3. COP 17 decided that the SCF should assist the Conference of the Parties (COP) in exercising its functions with respect to the Financial Mechanism of the Convention in terms of measurement, reporting and verification (MRV) of support provided to developing countries, inter alia, through preparing Biennial Assessments (BAs). The BAs are to include information on the geographical and thematic balance of flows drawing from available sources of information, including, inter alia, from biennial reports and biennial update reports. Further guidance is contained in decisions 1/CP.18, paragraph 71, 5/CP.18, paragraph 11, 3/CP.19, paragraph 11, 9/CP.21, paragraph 13, paragraph 37(f) in the annex to decision 8/CP.22, decision 4/CP.24, paragraphs 4, 5 and 10.
4. COP 24 requested the SCF to map, every four years, as part of its biennial assessment and overview of climate finance flows, the available information relevant to Article 2, paragraph 1(c), of the Paris Agreement, including its reference to Article 9 thereof.
5. COP 25 and the Conference of the Parties serving as the meeting of Parties to the Paris Agreement at its second session (CMA 2) requested the SCF to consider Parties views on operational definitions of climate finance to enhance technical work in the context of preparing the Fourth BA.¹
6. COP 25 and CMA 2 encouraged the SCF to present, to the extent possible, disaggregated information in relation to, inter alia, mapping data availability and gaps by sector, assessing climate finance flows and presenting information on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement.²

¹ Decision 11/CP.25, paragraph 10 and decision 5/CMA.2, paragraph 10.

² Decision 11/CP.25, paragraph 9 and decision 5/CMA.2, paragraph 9.

7. At its 22nd meeting, the SCF considered the first-order draft of the technical report of the Fourth BA and agreed to the revised indicative timelines and outreach activities. The SCF further agreed to undertake further work with a view to prepare the second-order draft of the BA.

III. Progress on the Fourth BA

8. Thirteen submissions have been received from Parties as a result of the invitation to submit views on operational definitions of climate finance to enhance technical work in the context of preparing the Fourth BA.

9. In light of restrictions in place due to COVID-19, no in-person technical expert meetings have been arranged. A SCF Webinar for Contributors and Experts was held on 7 April 2020, attended by over 140 participants.³ A series of three informal outreach webinars were held in October and November to gather inputs into the preparation of the Fourth BA:

(a) 13 October 2020: Webinar on improving reporting on Climate Finance inputs, impacts and results was attended by 82 participants⁴;

(b) 20 October 2020: Webinar on climate finance data quality, methodologies and effectiveness was attended by 61 participants⁵;

(c) 6 November 2020: Webinar on mapping information relevant to Article 2, paragraph 1(c) of the Paris Agreement was attended by 86 participants.⁶

10. A call for evidence was issued on 22 November 2019 in accordance with the decision taken during the twenty-first meeting of the Committee.⁷ The call for evidence deadline closed on 30 October 2020 with twenty-nine submissions received from Parties and non-Party stakeholders and is available on the SCF website.⁸

11. Technical work has progressed on drafting the second-order draft of the BA in light of feedback and guidance received at the twenty-second meeting of the SCF and the inputs received from submissions and outreach webinars.

³ Available at <https://unfccc.int/SCF>.

⁴ Available at <https://unfccc.int/event/webinar-on-improving-reporting-on-climate-finance-inputs-impacts-and-results>.

⁵ Available at <https://unfccc.int/event/webinar-on-climate-finance-methodological-issues-data-availability-and-quality-and-assessment-of>.

⁶ Available at <https://unfccc.int/event/webinar-on-article-2-paragraph-1c-of-the-paris-agreement>.

⁷ SCF/2019/21/11, paragraph 13.

⁸ Available at <http://unfccc.int/6877.php>.