



Standing Committee on Finance

02 September 2021

Twenty-fifth meeting of the Standing Committee on Finance
6–8 September 2021

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

Expected actions by the Standing Committee on Finance

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

- a) Consider and finalize the technical report of the Fourth (2020) Biennial Assessment and Overview of Climate Finance Flows (Fourth BA); and
- b) Consider possible elements of the summary and recommendations by the SCF.

I. Possible actions for consideration by the Standing Committee on Finance

1. The SCF may wish to consider:
 - (a) The fourth and advanced draft of the technical report of the fourth BA, with a view to assess progress and provide further guidance for the finalization of the draft technical report; and
 - (b) Possible elements for the summary and recommendations by the SCF on the fourth BA including its scope, structure and flow.

II. Background

2. The Conference of the Parties (COP) at its seventeenth session decided that the SCF shall assist the COP in exercising its functions with respect to the Financial Mechanism of the Convention in terms of measurement, reporting and verification 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.

3. 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.

4. 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

5. 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

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

the needs of developing country Parties related to implementing the Convention and the Paris Agreement.²

6. At SCF 24, the Committee considered the third-order draft of the technical report of the fourth BA and identified areas for consolidation and further work in the third-order draft of the technical report and invited written comments for feedback. The SCF further agreed to continue technical work intersessionally with a view to preparing a final draft of the technical report and draft summary and recommendations.

III. Progress on the Fourth (2020) Biennial Assessment and Overview of Climate Finance Flows

7. The secretariat and the technical team, under the guidance of the co-facilitators, have incorporated comments and suggestions made at the technical stakeholders' dialogue and SCF 24 as well as written comments received by 24 June 2021, in order to prepare the fourth and advanced draft technical report to be presented at SCF 25.

8. In presenting the draft, the co-facilitators acknowledge the work of the technical team has undertaken to complete the fourth and advanced draft including in completing the remaining sections of each chapter, identifying key messages and findings from each chapter, completing datapoints for incorporation in the development of charts and graphics and the annexes of the report. Further work to be completed includes editing and layout, referencing, and development of charts and infographics.

9. The secretariat and the technical team, under the guidance of the co-facilitators, are planning outreach and dissemination activities for the report in line with the revised indicative timelines and outreach activities.³

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

³ Available at https://unfccc.int/sites/default/files/resource/BN5_2020_BA_200910_Formatted.pdf.