

**Standing Committee on Finance**

17 May 2021

Twenty-fourth meeting of the Standing Committee on Finance
Virtual, 19–20 May 2021

Background document on the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement*Expected actions by the Standing Committee on Finance*

The Standing Committee on Finance (SCF) will be invited to provide guidance on the work in progress 2.5 order draft of the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement.

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

1. The SCF may wish to consider the work in progress 2.5 order draft of the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement with a view to assess progress and provide further guidance for the development of a revised draft report in advance of SCF 25.

II. Background

2. The COP, by decision 4/CP.24, paragraph 13, 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, for consideration by COP 26 and Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its third session (CMA 3).

3. In paragraph 14 of the same decision, the COP also requested the SCF to collaborate, as appropriate, with the operating entities of the Financial Mechanism, the subsidiary and constituted bodies, multilateral and bilateral channels, and observer organizations.¹

4. 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

5. COP 25 and CMA 2 further encouraged the SCF, in implementing its strategic outreach plan, to build on existing efforts to reach out to developing country Parties and relevant developing country stakeholders when generating data and information for the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement.³

6. At the SCF 23, the Committee considered the second-order draft of the first report on the determination of the needs of developing country Parties related to implementing the

¹ Decision 4/CP.24, para 14.

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

³ Decision 11/CP.25, para 12 and decision 5/CMA.2, para 12.

Convention and the Paris Agreement and agreed to provide written comments and suggestions by 15 January 2021.

7. The SCF also agreed to undertake further work on the report, including data collection and analysis, with a view to preparing the next draft of the technical report.⁴

8. Moreover, the SCF agreed on the revised indicative timelines and outreach activities,⁵ including a proposed publication of the technical report in mid-2021.

III. Progress on the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement

9. The secretariat and the technical team, under the guidance of the co-facilitators, have incorporated comments and suggestions made by members at SCF 23 as well as written comments received by 15 January 2021, in order to advance the preparation of the draft report. In addition, inputs received through 34 submissions from Party and non-Party stakeholders through the call for evidence⁶ as well as informal regional webinars⁷ were considered.

10. The co-facilitators, with the support of the secretariat, organized an informal SCF working group call on the 22 March 2021, during which the secretariat and the technical team presented the underlying data collection and ongoing analytical work, including the database that has been developing to support the data collection and analysis. The database was also made available for the SCF members. The working group members provided comments which have been taken into consideration by the technical team and subsequently incorporated in the draft report.

11. During the informal SCF meeting held on the 30 March 2021, the co-facilitators presented the progress and preliminary insights on the work of the technical team towards the third-order draft, including the status of data and information that has been looked at from the national, regional and global reports. Building on the work undertaken in 2020, the technical team, under the guidance of co-facilitators and with the support of the secretariat, has advanced data collection and analysis, bringing the total number of national reports in the data collection to about 553, as well as about 13 regional and global reports, with approximately 45 national reports, as well as regional and global reports that provide information on needs of developing countries related to implementing the Convention and the Paris Agreement, to be further incorporated. The work in progress 2.5 draft report reflects information that has been analysed from the national, regional and global reports to date. Further adjustments will be required to incorporate additional information, ensure relevance, balance as well as alignment of data and information across sections and chapters in the next version of the draft report

12. The secretariat and the technical team, under the guidance of the co-facilitators, have also prepared for the technical expert meeting preceding SCF 24 and is planning for outreach and dissemination activities for the report in line with the revised indicative timelines and outreach activities,⁸ including a proposed publication of the technical report in mid-2021.

⁴ The timeline is included in the SCF 22 meeting report (see annex III, table 1): https://unfccc.int/sites/default/files/resource/Report%20of%20the%20meeting_SCF_22_Final.pdf.

⁵ Available at: https://unfccc.int/sites/default/files/resource/BN_SCF22-NDR.pdf.

⁶ Available at: <https://unfccc.int/topics/climate-finance/workstreams/needs-report/repository-of-information-on-the-needs-of-developing-country-parties#eq-3>.

⁷ Available at: <https://unfccc.int/topics/climate-finance/workstreams/needs-report>.

⁸ Available at: https://unfccc.int/sites/default/files/resource/BN_SCF22-NDR.pdf.