



Twenty-ninth meeting of the Standing Committee on Finance
Cairns, Australia, 29 September–1 October 2022

Background paper on work on definitions of climate finance

Expected actions by the Standing Committee on Finance

The Standing Committee on Finance (SCF) will be invited to finalize its input to the COP 27 and CMA 4 on definitions of climate finance.

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

1. The SCF may wish to consider the pre-final input on definitions of climate finance with a view to finalize its work at SCF 29.

II. Background

2. The Conference of Parties (COP) at its twenty-sixth session, and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its third session, requested the SCF to continue its work on definitions of climate finance, taking into account the submissions received from Parties on this matter,¹ with a view to providing input for consideration at COP 27 and CMA 4 (November 2022).

3. By decisions 11/COP.25, paragraph 10 and 5/CMA.2, paragraph 10, the COP and CMA invited Parties to submit their views on the operational definitions of climate finance for consideration by the SCF in order to enhance its technical work on this matter in the context of preparing its fourth biennial assessment and overview of climate finance flows (fourth BA). Thirteen submissions were received from Parties on the operational definitions of climate finance and available on the UNFCCC website.² The information from the submissions was synthesized in section 1.4.3 of the technical report of the fourth BA and the Summary of the fourth BA by the SCF, paragraphs. 16–18.

III. Progress on the work on definitions of climate finance

4. Technical work on definitions of climate finance was advanced following SCF 28 based on the feedback received at the meeting and written inputs submitted by members thereafter. A webinar was organized on 4 August 2022 where, among other climate finance topics, definitions of climate finance was discussed with a wide range of stakeholders.³

¹ By decisions 11/COP.25, para. 10 and 5/CMA.2, para. 10, the COP and CMA invited Parties to submit their views on the operational definitions of climate finance for consideration by the SCF in order to enhance its technical work on this matter in the context of preparing its fourth BA.

² Available at <https://unfccc.int/topics/climate-finance/resources/standing-committee-on-finance-info-repository#eq-12>.

³ See webinar agenda: <https://unfccc.int/event/webinar-on-capturing-latest-updates-on-climate-finance-flows-data-effectiveness-and-definitions>.

5. A pre-final input was prepared intersessionally under the guidance of the co-facilitators. As at 31 August 2022, 10 responses were received from Parties and stakeholders in response to the call for inputs by the SCF in 2022.⁴

6. An updated synthesis of the information from submissions is included in the pre-final input, in addition to, information on the operational definitions of climate finance referred to in biennial update reports by non-Annex I Parties and relevant information in the context of the Enhanced Transparency Framework. Furthermore, operational definitions used outside the Convention targeted at private sector actors as well as the relationship of climate finance to other concepts such as green, sustainable and transition finance have been included for consideration.

⁴ Available at: <https://unfccc.int/topics/climate-finance/resources/standing-committee-on-finance-info-repository#eq-12>.