



Standing Committee on Finance

15 March 2022

Twenty-seventh meeting of the Standing Committee on Finance
22–23 March 2022

Background paper on the report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year

Expected actions by the Standing Committee on Finance

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

- a) Confirm the appointment of co-facilitators for the report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year;
- b) Discuss the scope and outline of the report;
- c) Consider the output and format of the input to Conference of the Parties (COP);
- d) Discuss the work plan and timeline to prepare the report.

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

1. Scope. In its deliberations on the scope of the report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year (hereinafter referred to as progress report), the SCF may wish to consider:

(a) The *nature* of the report (i.e. backward-looking and/or forward-looking information);

(b) The *methodological approach* to be taken in preparing the report, including the main considerations in collecting and presenting information and concepts reflected in the mandate (e.g. “the goal of mobilizing jointly”, “in addressing the needs of developing countries” “in the context of meaningful mitigation actions and transparency of implementation”);

(c) The *sources of information* taking into account the Climate Finance Delivery Plan¹, the biennial assessment and overview of climate finance flows (BA), official communications to the Convention and other relevant reports (e.g. national, regional and global reports);

(d) The *level of granularity of information* to be included in the report (e.g. aggregate-level information and/or any available activity-level information; and

(e) Whether the report should include *insights/lessons learned and/or recommendations* for consideration by the COP.

¹ See <https://ukcop26.org/wp-content/uploads/2021/10/Climate-Finance-Delivery-Plan-1.pdf>.

2. Outline. In its deliberation on the outline of the progress report, the SCF may wish to consider the possible elements of the draft outline as contained in annex I.
3. Output and format. Concurrently, the SCF may wish to consider how it wishes to report the outcomes of the progress report to COP at its twenty-seventh session. In its deliberations on this matter, the SCF may wish to consider the following three options:
 - (a) Outcomes of the progress report as a stand-alone report and an executive summary and/or recommendations included in the annual report of the SCF to COP 27 as an addendum. This option is similar to the outputs and format used for the BA and the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement (NDR);
 - (b) Outcomes of the progress report, including an executive summary and/or recommendations captured as addendum to the annual report of the SCF to the COP 27;
 - (c) Outcomes of the progress report captured in any other means.
4. In considering the nature, approach, scope, sources of information, level of granularity and format of the progress report, the SCF may wish to take into consideration how it will continue to contribute to assessing the achievement of the goal in the context of the preparation of its BAs in accordance with decision 4/CP.26, paragraph 19 and decision 5/CP.26, paragraph 22.
5. A virtual informal meeting with SCF members was held on 15 February 2022 to discuss preparations for the report. Topics raised during the meeting include the need for backward and forward-looking information, a constructive approach and focus on technical information, an open approach to different sources of information and consideration of the timeline.
6. Overall approach to the work. The SCF may wish to consider the draft workplan and timeline as contained in annex II.

II. Background

7. By decision 1/CP.16, paragraph 98, Parties recognized that developed country Parties commit, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing countries. By the same decision, Parties, in paragraph 99, agreed that, in accordance with paragraph 1(e) of the Bali Action Plan, funds provided to developing country Parties may come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources.
8. By decision 4/CP.26, paragraph 19, the COP requested the SCF to prepare a report in 2022 on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation, taking into account the Climate Finance Delivery Plan² and other relevant reports, for consideration at COP 27, and to continue to contribute to assessing the achievement of the goal in the context of the preparation of its BAs.
9. Furthermore, the COP endorsed the outline of the technical report of the fifth BA of the SCF and underscored that this report will continue to contribute to assessing the achievement of the goal of mobilizing jointly USD 100 billion per year by 2020 in the context of meaningful mitigation action and transparency on implementation, in accordance with decision 1/CP.16.³

² See <https://ukcop26.org/wp-content/uploads/2021/10/Climate-Finance-Delivery-Plan-1.pdf>.

³ Decision 5/CP.26, paragraph 22.

Annex I

Possible elements of the draft outline of the report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year

Acknowledgements

List of abbreviations and acronyms

Executive Summary

I. Introduction

1. Background and objectives. Set the scene – Mandate stemming from decision 4/CP.26, paragraph 19 and context, including reference in decision 5/CP.26, para. 6 and other relevant decisions.
2. Scope. Explanation of the nature and scope of the report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency of implementation, taking into account the Climate Finance Delivery Plan and other relevant reports. The report will, among others, focus on backward looking data and forward-looking data out to the timeframe of the goal i.e. 2025.
3. Structure.
4. Outline.
5. Challenges and limitations.
6. Approach used in preparing the report.
7. Possible recommendations.

II. Sources of information

8. Description of approaches taken in the sources of information used in reports on progress towards achieving the goal of mobilizing jointly USD 100 billion per year;
 - (a) Backward-looking reports on climate finance:
 - (i) National reports through the UNFCCC (Biennial reports, Biennial update reports);
 - (ii) Biennial assessment and overview of climate finance flows;
 - (iii) Other relevant reports (e.g. OECD; Oxfam, WRI, ODI, UNEP Gap Report etc.);
 - (b) Forward-looking information on climate finance:
 - (i) National reports through the UNFCCC (Biennial communications in accordance with Article 9, paragraph 5 of the Paris Agreement, NDCs);
 - (ii) Other relevant reports (e.g. Climate Finance Delivery Plan)
9. Description of approaches taken on the sources of information on the needs of developing countries:

(a) National reports through the UNFCCC (e.g. National communications, biennial update reports, NDCs etc.);

(b) Report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement;

(c) Other relevant reports (e.g. Needs-based finance regional and national level climate finance access and mobilization strategies and technical assessments).

10. Description of approaches taken in the sources of information on meaningful mitigation actions and transparency of implementation:

(a) National reports through the UNFCCC (e.g. National communications, biennial reports, biennial update reports, NDCs, REDD+ Strategies, etc.);

(b) Other relevant reports.

III. Quantitative information

11. Available quantitative information on progress towards achieving the goal of mobilizing jointly USD 100 billion per year from:

(a) Backward-looking reports on climate finance:

(i) National reports through the UNFCCC (Biennial reports, Biennial update reports);

(ii) Biennial assessment and overview of climate finance flows;

(iii) Other relevant reports (e.g. OECD; Oxfam, WRI, ODI, UNEP Gap Report etc.);

(b) Forward-looking information on climate finance:

(i) National reports through the UNFCCC (Biennial communications in accordance with Article 9, paragraph 5 of the Paris Agreement);

(ii) Other relevant reports (e.g. Climate Finance Delivery Plan, UNEP Gap Report etc.).

12. Available quantitative information on the needs of developing countries;

(a) National reports through the UNFCCC (e.g. National communications, biennial update reports, NDCs etc.);

(b) Report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement;

(c) Other relevant reports (e.g. Needs-based finance regional and national level climate finance access and mobilization strategies and technical assessments).

13. Available quantitative information on meaningful mitigation actions and transparency on implementation (e.g. CO₂ emissions reduced or avoided in the relevant timespan, number of BURs submitted during the relevant timespan, etc);

(a) National reports through the UNFCCC (e.g. National communications, biennial reports, biennial update reports, NDCs etc.);

(b) Other relevant reports.

IV. Progress towards the goal of mobilizing jointly USD 100 billion per year

14. Trends in progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation.

15. Challenges in progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation.

16. Lessons learned in the process towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation.

17. Recommendations of possible actions towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation.

V. Looking ahead

18. Considerations on how the SCF will continue to contribute to assessing the achievement of the goal in the context of the preparation of its biennial assessment and overview of climate finance flows.

19. Recommendations on next steps.

VI. Annexes

VII. References

Annex II

Draft workplan

Report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year

Delivery date: 2022

I. Mandate(s) and objectives

1. At COP 26, Parties requested the SCF to prepare a report in 2022 on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation, taking into account the Climate Finance Delivery Plan and other relevant reports, for consideration at COP 27, and to continue to contribute to assessing the achievement of the goal in the context of the preparation of its BAs.
2. Furthermore, the COP endorsed the outline of the technical report of the fifth BA of the SCF and underscored that this report will continue to contribute to assessing the achievement of the goal, in accordance with decision 1/CP.16.

II. Overall Approach

3. Building on the experience of the SCF in developing comprehensive reports such as the BAs and the NDR, the progress report could be organized and implemented following the BA and NDR approach, i.e. comprising *technical work* and *Committee-level work*. The technical work allows the SCF, with the support of the secretariat, to draw meta-data to inform its work through information and data gathering undertaken with the support of consultants and information and data providers.
4. The SCF may wish to confirm two co-facilitators appointed from within the membership of the SCF to guide the technical work intersessionally and during the SCF meetings. The co-facilitators are supported by the UNFCCC secretariat. Within the SCF, an open-ended working group could participate in the intersessional technical work to ensure timely development of the report ahead of formal SCF meetings. This may involve, inter alia, providing input and reviewing the drafts of the report, including through written comments and dedicated calls. The outputs (e.g. draft chapters, technical papers, scoping document) will be disseminated to the SCF for consideration.
5. The *technical work* combines literature review with technical stakeholder dialogues which can be organised in conjunction with SCF meetings or separately, involving data providers and other contributors. This involves data and information gathering from a range of sources, both national reports to the UNFCCC and other relevant reports.
6. The *Committee-level work* involves reviewing the technical work and providing further guidance. Depending on the approach the SCF wishes to take on the report, the Committee may wish to identify key findings from the technical work and prepare an *executive summary* and/or *recommendations* as appropriate in the context of reporting on progress towards achieving the goal of mobilizing jointly USD 100 billion per year.
7. Engagement with various stakeholders including Parties, data providers and aggregators will take place through the preparation of the report particularly to confirm interpretation and presentation of data. The SCF may wish to consider further outreach through open technical expert meetings in conjunction with SCF meetings or webinars with broader stakeholder groups to gather inputs and views for the report. Following finalization of the report, the key findings will be disseminated through a dedicated webpage on the SCF website, SCF side

events at COP 27, and other communication channels with UNFCCC support, e.g. press release and social media.

III. Timeline

8. To ensure sufficient rigor, the work will be organized in four phases as outlined below. The table below presents possible milestones and an indicative timeline for the preparation of the report:

(a) **Phase I – developing and finalizing the scope and outline:** This phase involves developing the scope, structure and outline of the report to be initially discussed by the SCF at SCF 27;

(b) **Phase II – literature review and data gathering:** This phase will continue until the development of the pre-final draft of the report as relevant information becomes available. It will involve:

(i) Continuous literature review and data collection from sources of information as they become available;

(ii) Engagement with various stakeholders, including Parties, data providers, producers and aggregators to confirm interpretation and presentation of data;

(iii) Further outreach through open technical stakeholder dialogues in conjunction with SCF meetings or webinars with broader stakeholder groups to gather inputs and views;

(c) **Phase III – development of the report:** This phase includes the iterative drafting of the report and presenting it for feedback at SCF meetings. A zero-order draft would be prepared ahead of SCF 28 based on the outline agreed at SCF 27, followed by a pre-final draft prepared ahead of SCF 29, based on written comments and feedback of SCF members. In parallel, the professional editing, graphic design and layout of the report will be prepared to ensure the report is ready for publication as soon as possible after SCF 29;

(d) **Phase IV – dissemination:** Following finalization of the report, the key findings will be disseminated through:

(i) A dedicated webpage on the SCF website;

(ii) SCF side events at COP 27;

(iii) Other communication channels with UNFCCC support including a press release and social media.

Table 1
Possible milestones and indicative timeline for the progress report

Activities and deliverables	2022											
	Q1			Q2			Q3			Q4		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Phase I: Developing and finalizing the scope and outline												
Scope, structure and annotated outline			SCF 27									
Phase II: Literature review and data gathering												
Literature review												
Engagement with Parties, data providers, producers and aggregators												
Phase III: Development of the report												
Development of iterative drafts of the report						Zero-order draft (SCF 28 tbc)			Pre-final draft (SCF 29 tbc)			

Activities and deliverables	2022											
	Q1			Q2			Q3			Q4		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Working group discussions on findings and insights, based on draft chapters of the technical report												
Professional editing and graphic design												
Layout, design and production of final report												
Phase V – dissemination												
Development of web-based content												
Communication and promotion of the report											COP27	
Webinars and events												

IV. Expected outputs/deliverables

9. The key outputs may include:
- (a) The report on progress towards achieving the goal of mobilizing jointly USD 100 per year;
 - (b) A work plan and timeline;
 - (c) Background papers and presentations for SCF meetings;
 - (d) SCF meeting reports with discussions/conclusions/guidance on this agenda item;
 - (e) A dedicated webpage on the SCF website.