



Standing Committee on Finance
Twenty second meeting of the Standing Committee on Finance
Virtual, 28–30 September 2020

14 September 2020

Background paper on the Fourth 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) Provide guidance on the first-order work-in-progress draft of the technical report of the Fourth Biennial Assessment and Overview of Climate Finance Flows;
- b) Provide additional guidance for inter-sessional work in advance of the twenty-third meeting of the SCF, including a revised timeline and outreach plan.

I. Possible actions for consideration by the SCF

1. The Committee may wish to consider the first-order work-in-progress draft of the technical report of the Fourth Biennial Assessment and Overview of Climate Finance Flows (BA) with a view to assess progress and provide guidance for the development of the next draft.
2. Provide any additional guidance for inter-sessional work in advance of the twenty-third meeting of the SCF. A revised indicative timeline and outreach plan are included in the annex;

II. Background

3. COP 17 decided that the SCF should assist the 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 Standing Committee on Finance 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 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 2020 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.

III. Progress on the Fourth BA

7. At its twenty first meeting, the SCF agreed to launch a call for evidence in relation to the 2020 BA to support the preparation of technical report that will feed into deliberations at COP 26, and to hold two technical expert meetings, to be organized in conjunction with SCF 22 and 23.

8. A call for evidence was issued on 22 November 2019 in accordance with the decision taken during the twenty first meeting of the Committee.³ The call for evidence is available on the website of SCF.⁴

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.⁵

10. Technical work has progressed on drafting of the BA. An informal call with the SCF working group was held on 2 April 2020 to invite comments on the zero order draft. Further written comments were received and integrated in the preparation of the first order work-in-progress draft that was then shared with SCF members on 24 June 2020. The SCF working group held an informal call on 22 July 2020 to discuss feedback on the first-order work-in-progress draft. In addition, the call for evidence has been extended to 30 October 2020.

11. In light of the postponement of COP26 to November 2021, it is proposed to revise the timeline and preparation of the Fourth BA. The proposed revised indicative timeline is in the annex, including a proposed publication of the BA mid-2021.

12. To further enhance technical work in drafting the Fourth BA, a revised outreach plan has been drafted to ensure information from external contributors, experts and stakeholders may be included in the report. The outreach plan is available in the annex. Given the changing circumstance due to COVID, outreach activities are being organized in virtual format in 2020 (e.g. via webinars) with possibility of in-person technical experts meetings to be held in conjunction with SCF meetings in 2021, conditions permitting.

³ SCF/2019/21/11, paragraph 13.

⁴ Available at <<http://unfccc.int/6877.php>>.

⁵ Available at <https://unfccc.int/SCF>.

Annex I

Revised indicative timeline and milestones for the preparation of the Fourth Biennial Assessment and Overview of Climate Finance Flows

Working Draft

Revised milestones and indicative timeline												
Activities and deliverables	2019–				2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Phase I: Developing and finalizing the outline												
Scope, structure and annotated outline												
Phase II: Research and drafting												
Literature review												
Engagement with data providers, producers and aggregators		Collaborators meeting			Stakeholder webinar		Stakeholder webinars (tbc)					
Open call for evidence period												
Phase III: Development of the BA												
Development of 1 st , 2 nd and 3 rd order drafts of the technical report					Zero order draft	1 st order draft		2 nd order draft	Final draft			
Working group discussions on draft chapters of the technical report												
SCF discussions on draft report							SCF22	SCF23 (tbc)	SCF24 (tbc)	SCF25 (tbc)		
Drafting and finalization of the Summary and Recommendations									1 st order draft	Final draft		
Consolidating the final draft of the technical report and Summary and Recommendations												
Phase IV: Publication												
Layout, design and production												
Development of web-based content												
Phase V: Outreach and dissemination												

Website updates on the development of the report												
Updates at SCF side events at COPs and sessions of the subsidiary bodies												
Meetings with constituted bodies (to be confirmed)												
Communication and promotion of the technical report and the summary and recommendations												
Webinars and launch event at COP26												
Continued outreach												

Annex II

Revised outreach plan for the Fourth Biennial Assessment and Overview of Climate Finance Flows

Working Draft

1. Outreach is an important component of the BA preparation process, particularly for the data collection and review, methodological issues, as well as work on Article 2.1.c, of the Paris Agreement (*decision 4/CP.24, paragraph 10*). Additionally, the SCF has identified the need to promote and disseminate the findings and recommendations of the fourth BA once launched across multiple communication and engagement platforms.

A. Phase 1 of Outreach: Stakeholder engagement during report development

2. **Call for evidence:** The call for evidence is extended to 30 October 2020. Awareness-raising on the call for evidence will include website news articles, social media posting and dissemination through SCF networks.

3. **Stakeholder engagement webinars:** In light of restrictions on meetings and travel throughout 2020, webinars offer the opportunity to engage with a broad group of stakeholders. In April 2020, one webinar was held with approximately 140 participants. For the remainder of 2020, it is proposed to hold three webinars in the following formats:

1. **Webinar on improving reporting on Climate Finance Inputs, Impacts and Results.** This webinar will be open to stakeholders from public and private finance institutions, civil society and governments. The proposed agenda of the webinar will be to gather inputs in order to follow up on recommendations from the 2018 BA, related to:

4. Reporting on impacts of climate finance (*recommendation (n): Invite, as in the 2016 BA, multilateral climate funds, MDBs, other financial institutions and relevant international organisations to continue do advance work on tracking and reporting on impacts of mitigation and adaptation finance*);

5. Reporting on climate-proofing and climate-resilience measures in climate finance (*recommendation (o): Encourage all relevant United Nations agencies and international, regional and national financial institutions to provide information to Parties through the secretariat on how their development assistance and climate finance programmes incorporate climate-proofing and climate-resilience measures, in line with new available scientific information*);

6. Gender and climate finance (*recommendation (m): Encourage climate finance providers to improve tracking and reporting on gender-related aspects of climate finance, impact measuring and mainstreaming*);

7. Domestic level institutional capacities for programming climate action and tracking impacts (*recommendation (k): Encourage developing countries to take advantage of available resources through the operating entities of the Financial Mechanism to strengthen institutional capacity for programming their priority climate action, as well as tracking climate finance, effectiveness and impacts*).

(i) *Proposed Date/time:* **Week of October 5th 2020:** 1400–1600 CEST

(ii) *Format:* Following brief introductory remarks by co-facilitators, the event will follow three 40-minute sessions of presentation and discussants from the climate finance community including climate funds, development finance institutions and civil society with audience interventions. The first session will focus on measuring and reporting on impact related to adaptation and climate-resilience. The second session will focus on gender and climate finance. The third session will focus on best practices in improving domestic level institutional capacities

2. **Webinar on climate finance methodological issues, data availability and quality and assessment of effectiveness.** This webinar will be open to stakeholders, partners and data providers, contributors and experts involved in the BA to provide input as to latest information on data availability and methodologies related to climate finance as well as assessment of the impact and delivery from recipient perspective.
 - (i) *Proposed Date/time:* **Week of October 19th 2020**, 1400–1530 CEST.
 - (ii) *Format:* The webinar will provide an overview of each chapter in the BA and opportunities for feedback per chapter.
 3. **Webinar on Article 2, paragraph 1(c) of the Paris Agreement.** This webinar will be open to stakeholders to provide input and feedback on their activities relevant to achieving the goals of the Paris Agreement that may be reflected in the BA.
 - (i) *Proposed Date/time:* **Week of November 9th 2020**; 1400–1530 CEST.
 - (ii) *Format:* Moderated by Nick Robins, Introductory remarks providing background by SCF co-facilitators, Selected discussants from ministries of finance and central banks and investor community.
- (a) **Informal outreach to stakeholder groups:** Informal outreach may consist of bilateral calls and meetings with different stakeholder groups, Parties, other bodies on specific topics for information gathering in relation to the BA or to improve prospects for dissemination of the BA outputs once available among target groups. The technical team conduct such activities as part of the research and information gathering process for drafting the technical report of the BA. In addition, organised calls of targeted stakeholder groups may be arranged for feedback.
- (i) Proposed Call with ministry of finance and central bank experts on input into mapping information relevant to Article 2, paragraph 1(c) of the Paris Agreement. This call would provide an opportunity to exchange perspectives among a set of finance experts and officials from ministries of finance and central banks as well as the investment community to provide input on their activities relevant to achieving the goals of the Paris Agreement. It is proposed to be held after the IMF/World Bank Annual meetings where updates in relation to work by these stakeholders may be forthcoming.
 - (ii) *Proposed Date/time:* **Week of October 26th 2020**; 1400–1530 CEST.
 - (iii) *Format:* Moderated by Nick Robins, Introductory remarks providing background by SCF co-facilitators, Selected discussants from ministries of finance and central banks and investor community.
- (b) **Technical expert meetings:** Organised as standalone technical expert workshops in collaboration with partners and/or in conjunction with the SCF. The standalone technical experts workshop would be organized in conjunction with the SCF meetings in 2021 to address climate finance data availability and gaps as well as methodological issues;

B. Phase 2 of Outreach: Report launch and dissemination

8. The second phase of outreach will focus on launching the report and dissemination of key findings and recommendations among a broad group of stakeholders through speaking opportunities at events and virtual events as well as on social media and through the UNFCCC website. A communications plan will be developed with the UNFCCC communications team in Q4 2020 on how the report launch will be coordinated and a selection of proposed events to launch the report with co-facilitators.

(a) **Events** for speaking opportunities and report launch. In addition to UNFCCC relevant events in 2021, a list of potential events and speaking opportunities in 2021 is in the table below.

(b) **Dissemination packs** for SCF members. A presentation slide deck on the content of the BA, talking points notes and social media quotes will be prepared for SCF members for their potential use in their capacity as members of the committee and participation in various events.

(c) **Website.** The BA webpage on unfccc.int will include interactive graphics and key messages of the report, as well as a press release.

(d) **Social media.** The UNFCCC social media channels will be used, in coordination with the Communications division, to disseminate the report findings and recommendations. SCF members will be encouraged to do similar.

List of international fora for consideration for representation

<i>Event</i>	<i>Date</i>	<i>Place</i>	<i>Possible outreach on 2020 BA</i>	<i>Possible participation</i>
2020				
26 th GCF Board meeting	18–21 August 2020	Virtual meeting		
Helsinki Principle 6 Workshop on the Role of Ministers of Finance in NDC Development, Review and Implementation	19 August 2020	Virtual meeting		
G20 meeting: 3 rd International Financial Architecture Working Group	22–23 September 2020	Seoul, Korea		
7th OECD Forum on Green Finance and Investment and OECD Research Collaborative meeting	6–9 October 2020	Virtual conference		
G20 meeting: 5 th Finance and Central Bank Deputies Meeting (FCBD)	15 October 2020	Washington, D.C., USA		
G20 meeting: 4 th Finance Ministers and Central Bank Governors (FMCBG)	15–16 October 2020	Washington, D.C., USA		
75 th session of the UN General Assembly	15–30 September 2020	New York City, USA		
Climate Week NYC 2020	21–27 September 2020	Virtual events		
IMF/World Bank Annual Meetings	12–18 October 2020	Washington, D.C., USA/ Virtual		
UNEP FI 16 th Global Roundtable “Financing a Resilient Future”	13–14 October 2020	Virtual meeting		
14 th International Conference on Climate Change Economics	29–30 October 2020	Paris, France		
Finance in Common Summit for Public Development Banks (will take place during the Paris Peace Forum)	10–12 November 2020	in-person and digital sessions Paris, France		
London Climate Week (2 nd instalment)	14–20 November 2020	London, UK		

<i>Event</i>	<i>Date</i>	<i>Place</i>	<i>Possible outreach on 2020 BA</i>	<i>Possible participation</i>
G20 meeting: Joint Meeting of Sherpas and Finance Deputies	19 November 2020	Riyadh, Saudi Arabia		
15 th G20 Leaders' Summit	21–22 November 2020	Riyadh, Saudi Arabia		
59 th Meeting of the GEF Council Meeting / 29 th Meeting of the LDCF/SCCF Council	8–10 December 2020	tbc		
ASEAN Finance Ministers Meeting and Central Bank Governors Meeting	tbc	tbc		
2021				
GCA Global Adaptation Action Summit	25 January 2021	Netherlands (virtual)		
IMF/World Bank Spring meetings	9–11 April 2021	Washington, D.C., USA		
15 th meeting of the Conference of the Parties to the Convention on Biological Diversity (COP-15) and other related meetings	17–30 May 2021	Kunming, China		
PRI in Person 2021	14–16 September 2021	Tokyo, Japan		
IMF/World Bank Annual Meetings Annual Meeting of the World Bank Group Annual Meeting (Development Committee)	15–17 October 2021	Marrakech, Morocco		
Regional Climate Weeks	tbc	tbc		

UNFCCC relevant events

<i>Event</i>	<i>Date</i>	<i>Place</i>	<i>Possible outreach on 2018 BA</i>	<i>Possible participation</i>
Informal call with SCF members on BA	22 July 2020	Virtual meeting		
Webinar on Article 2, paragraph 1(c) of the Paris Agreement	Tentative: 24 August 2020	Webinar		
Webinar on Improving Reporting on Climate Finance Inputs, Impacts and Results	14 September 2020 (tentative)	Webinar		
22 nd Standing Committee on Finance Meeting	28–30 September 2020 (tbc)	Virtual meeting (tbc)		
Webinar on climate finance methodological issues, data availability and quality and assessment of effectiveness	19 October 2020 (tentative)	Webinar		
Regional Webinar Needs Report (Africa and Eastern Europe)	tbc	Webinar		
Regional Webinar Needs Report (Asia and the Pacific)	tbc	Webinar		
Regional Webinar Needs Report (Latin America and the Caribbean)	tbc	Webinar		
November Momentum series of events	tbc	TBC		
23 rd Standing Committee on Finance Meeting	7–11 December 2020 (tbc)	Dubai, UAE (tbc)		
Presentation on the key findings and recommendations of the 2020 BA	tbc	Webinar		
24 th Standing Committee on Finance Meeting	tbc	tbc		
25 th Standing Committee on Finance Meeting	tbc	tbc		
26 th Standing Committee on Finance Meeting	tbc	tbc		
SBSTA 52	tbc	tbc		
SBSTA 53	tbc	tbc		
SBSTA 54	tbc	tbc		
2021 SCF Forum – “Finance for Nature-based Solutions	tbc	Australia		
4 th High-level ministerial dialogue on climate finance (COP 26)	tbc	tbc		
COP 26	1–12 November 2021	Glasgow, UK		