



Standing Committee on Finance

16 August 2024

Thirty-fifth meeting of the Standing Committee on Finance
4–6 September 2024
Arusha, Tanzania

Background paper on the second 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 on implementation

Expected actions by the Standing Committee on Finance

The Standing Committee on Finance will be invited to finalize:

- a) The executive summary by the SCF of the second 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 on implementation;
- b) The technical 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 on implementation.

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

1. Draft executive summary by the SCF: The SCF may wish to consider and finalize the draft executive summary of the second 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 on implementation, as contained in Annex I, to be included as an addendum to the annual report of the SCF.

2. Pre-final technical report: The SCF may also wish to consider and finalize the pre-final draft of the technical report of the second 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 on implementation, developed under the guidance of the co-facilitators, taking into account comments, written inputs by SCF members and any additional input, as contained in Annex II.

II. Background

3. COP 27 requested the SCF to prepare biennial reports, including a summary of key findings, 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 other relevant reports, for

consideration by COP 29, COP 31 and COP 33 and noted that the final report will be considered in the context of matters relating to the SCF.¹

4. COP 26 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.³

5. COP 27 noted the technical report of the SCF and the quantitative and qualitative information presented therein. The COP further noted the different estimates of progress towards achieving the goal of mobilizing jointly USD 100 billion per year from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources, and recognized the lack of a common definition and accounting methodology in this regard.⁴

6. COP 28 noted and endorsed the general outline of the second report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year and looks forward to deliberations on the report at COP 29. The COP also again noted the different estimates on progress from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources, as reflected in the first report on progress by the SCF⁵, and recognized the lack of a common definition and accounting methodology in this regard.⁶

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. In the decision adopting the Paris Agreement, COP 21 decided that, in accordance with Article 9, paragraph 3, of the Agreement, developed countries intend to continue their existing collective mobilization goal through 2025 in the context of meaningful mitigation actions and transparency on implementation.⁷ ...

III. Progress on the second report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year

9. SCF 33 took note of the work-in-progress approach to the second report on progress and re-confirmed the appointment of Gabriela Blatter and Richard Muyungi as co-facilitators for the workstream. Furthermore, the SCF agreed to advance work on stakeholder engagement and outreach intersessionally to support the preparation of the report.;

10. The call for evidence was launched in early March. Five submission were received available on the SCF webpage.⁸ On 30 April 2024, the SCF conducted a webinar on three

¹ Decision 13/CP.27, para. 15.

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

³ Decision 4/CP.26, para. 19.

⁴ Decision 13/CP.27, paras. 13 and 14.

⁵ Available at <https://unfccc.int/process-and-meetings/bodies/constituted-bodies/standing-committee-on-finance-scf/progress-report>.

⁶ Decision 4/CP.28, para. 5.

⁷ Decision 1/CP.21, para. 53.

⁸ See <https://unfccc.int/topics/climate-finance/resources/standing-committee-on-finance-info->

key technical reports of the SCF in 2024, including the second report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year attended by 60 participants.

11. At SCF 34, members took note of the updated work-in-progress document of the technical report and outcomes of the stakeholder webinar held on 30 April 2024. Members discussed methodological issues including in relation to data sources, use of different definitions, instruments and accounting methods, the importance of balance across the three pillars of the report focusing on finance flows, addressing the needs of developing countries, and the context of meaningful mitigation actions and transparency on implementation. Further, the SCF agreed to prepare intersessionally a pre-final draft of the report taking into account the comments made at SCF34 and any written comments received, for consideration at SCF 35, as well as to prepare a draft executive summary for consideration at SCF 35. Four SCF members provided written comments to the draft circulated ahead of SCF 34.

12. Technical work on finalizing the report has included integrating comments completing data analysis on preliminary data available from the sixth BA and the second NDR, as well as the chapter on challenges and lessons learned.
