



**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 next Forum of the Standing Committee on Finance**

### *Expected actions by the Standing Committee on Finance*

The Standing Committee on Finance (SCF) will be invited to consider and to provide guidance on the draft programme of the Forum contained in the annex.

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

1. The SCF may wish to provide guidance on the draft programme of the Forum and intersessional work, including any outreach activities.

### **II. Background**

2. The Conference of Parties (COP) mandated the SCF to organize a forum for the communication and continued exchange of information among bodies and entities dealing with climate finance to promote linkages and coherence. Furthermore, the COP requested the SCF to facilitate participation of the private sector, financial institutions and academia in the Forum, as well as to further strengthen its stakeholder engagement.

3. At its 21<sup>st</sup> meeting, the SCF agreed that the theme of the 2020 Forum will be “Finance for Nature-based Solutions (NBS)” and that its sub-themes may include:

(a) Creating enabling environments to facilitate access to climate finance for NBS on adaptation and mitigation;

(b) Harnessing local community and indigenous knowledge, gender responsive policies, climate resilience and adaptation, technology and capacity-building;

(c) Applying NBS as a means of de-risking and scaling up climate investments throughout multi-level governance;

(d) The role of climate finance for ecosystems capturing carbon, swamp plants, biodiversity protection, fire management (e.g. fire management projects, including Savanna, forest and preventing forest fires), restoring land, addressing deforestation and afforestation, sustainable forests and preventing desertification;

(e) NBS as a driver of the Nationally Determined Contributions (NDC) and National Adaptation Plans (NAP);

(f) Various types of finance for NBS.

4. The co-facilitators note that additional sub-themes could inform the SCF in preparing the Forum programme, including:

(a) The multi-dimensional and cross-border nature of NBS as a means to enhance cooperation and to avoid negative impacts;

(b) Understanding NBS and its potential role in tackling climate change adaptation and mitigation and the different dimensions of NBS, including links to biodiversity, desertification and sustainable development goals, at sub-national, national, regional and global levels;

(c) Role of climate finance as a catalyst for securing ecosystems, by supporting the synergies in addressing biodiversity loss and climate change and harnessing the potential of nature/ecosystem-based solutions – enhancing biodiversity can contribute towards mitigation and adaptation to climate change, combatting desertification, restoring degraded land, enhancing flood protection, ensuring food security and preserving human health and well-being;

(d) Facilitating access to climate finance for adaptation and mitigation actions and measures that utilise NBS.

5. During the inter-sessional period, co-facilitators developed the draft programme outline of the Forum, as contained in the annex, based on the sub-themes.

### **III. Call for inputs**

6. A public call for inputs from Parties and observers to inform the preparation of the Forum was opened from 15 June to 31 July 2020. As at 7 September, 41 inputs had been received from Parties and a range of stakeholders, including non-governmental organizations, international organizations, United Nations agencies, multilateral and bilateral finance institutions, think tanks and academic stakeholders. The inputs can be found on the SCF Forum webpage.<sup>1</sup>

7. The submissions provided a valuable source of information and deepen understanding on nature-based solutions. Citations to literature and specific proposals for engaging at the Forum are also included in the submissions that may further shape and develop the programme.

(a) The submissions draw attention to a range of substantive areas such as definition and principles of NBS, synergies with Rio Conventions and the Global Biodiversity Framework, forests, oceans, indigenous peoples and traditional knowledge, and role of private sector;

(b) Other inputs provided include, possible scope of the Forum and specific sessions; references to case studies and ongoing initiatives that provide concrete examples of scaling NBS action and financing; proposals for hosting the Forum alongside other events, proposals for organizing side-events at the Forum; references to relevant publications on NBS and support offered on resource persons.

### **IV. Dates and venue of the Forum**

8. An in-person Forum is vital to achieving its objectives and fostering interactions and meaningful engagement from the participants. There is considerable uncertainty regarding holding meetings at an international scale in 2020 and, several key events related to NBS and those under the UNFCCC process have been shifted to 2021. With these considerations, it is proposed that the Forum be postponed to the second half of 2021.

9. During the inter-sessional period, possible venues and partner events would continue to be assessed by the co-facilitators. The SCF may also wish to consider convening its 25<sup>th</sup> meeting in conjunction with the Forum to maximize participation of members at the Forum and reduce travel costs and time.

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<sup>1</sup> <https://unfccc.int/topics/climate-finance/events-meetings/scf-forum/the-next-scf-forum-financing-nature-based-solutions>.

## Annex

### Forum of the Standing Committee on Finance

#### Finance for Nature-based Solutions (NBS) Provisional programme

as at 14 September 2020

#### I. Objectives of the Forum

1. To enhance the understanding of using sustainable nature-based and ecosystems-based solutions for climate change adaptation and mitigation and the opportunities and challenges at all levels;
2. To increase awareness on the potential of climate finance for NBS for climate change at all levels;
3. To identify possible ways to scale-up the mobilization of and access to climate finance for NBS and;
4. To provide a platform for actors involved in climate finance for NBS to network and share information.

#### II. Programme Overview

##### -Day 1-

##### **Session 1: Opening ceremony and the transformative potential of nature-based solutions**

This plenary session will provide an overview of NBS, including what NBS is and why it is important, types of NBS for climate change, key challenges in implementing NBS, and how NBS can contribute towards achievement of the goals of the Convention, the Paris Agreement and the 2030 Sustainable Development Agenda. The relevant outcomes of the 2019 UNSG Climate Summit on NBS and the work of the NBS Coalition will inform the discussions.

##### **Session 2: Plenary on the science, policy and financing context for NBS**

The aim of this session is to provide an overview of the scientific, policy and financing context for NBS. Scene-setting presentations will draw attention on how science, local and indigenous knowledge are integral to NBS and guide the development of sustainable solutions. Policy support for NBS must ensure inclusive and gender-responsive interventions that address climate change and improve livelihoods. The session will also provide an overview of the challenges in financing NBS and in that context, highlight the needs and priorities of developing countries at the regional, national, sub-national and local levels.

##### **Session 3: Breakout group discussion**

The aim of the break-out session is to engage participants in an in-depth discussion on climate-related nature-based interventions. Based on the presentations and panel discussions held in session 2, participants will be invited to split into groups: (1) To discuss the potential of NBS in addressing climate change mitigation, adaptation and cross-cutting activities, (2) To identify priorities and needs relating to the implementation of climate-related NBS interventions, and (3) To identify financing gaps needed to be addressed for climate-related NBS interventions. In each group, a short case-study presentation on climate-related NBS intervention (by sector, theme or level) to facilitate group discussions:

Group (1): NBS for climate mitigation;

Group (2): NBS for climate adaptation and resilience;

Group (3): NBS for cross-cutting activities.

*(Lunch break)*

#### **Session 4: Plenary on creating enabling environments to implement NBS for climate**

The aim of this session is to provide an overview of enablers to implement nature-based interventions addressing climate mitigation, adaptation and cross-cutting sectors. The importance of capacity-building, technology, policy development, institutions and coordination, monitoring, reporting and verification systems and awareness raising, and how these can be supported, will be highlighted.

#### **Session 5: Breakout group discussion**

The aim of the break-out session is to discuss factors that enable the implementation of NBS. Based on the plenary discussions held in Session 4 on enabling environments, participants will be invited to split into groups (1) To discuss opportunities and challenges, and (2) lessons learned and best practices, in designing and implementing NBS for climate. A short presentation of experiences from policy-makers and practitioners will trigger group discussions:

Group (1): Mainstreaming NBS into climate change strategies and plans at the national and sub-national levels planning processes;

Group (2): Institutional arrangements, coordination mechanisms and engagement of key stakeholders, particularly local and indigenous people for NBS;

Group (3): Monitoring frameworks for supporting and scaling up climate finance for NBS.

**-Day 2-**

#### **Session 6: Plenary on sources and means of accessing finance for NBS for climate**

This plenary session will highlight sources of international and domestic public finance, private sector investments and existing and innovative instruments of NBS financing. The session will also focus on matching the needs of developing countries with international and domestic climate finance and areas of support to enhance country ownership and promote NBS for climate.

#### **Session 7: Breakout group discussion**

Based on the plenary discussions held in Session 6, participants will be invited to split into groups to discuss (1) **sources and instruments of NBS financing** and (2) **conditions for incentivizing and scaling up the public and private finance flows**. Case-studies will trigger group discussions.

Group (1): Public finance for NBS (Sources, channels and instruments at the international/national/sub-national levels);

Group (2): Private finance for NBS (Enabling environments that can help mobilize investments at scale; private funds, institutional investors, insurance and private foundations supporting nature-based activities);

Group (3): Innovative financial mechanisms and instruments (green investments, blended finance, innovative incentive measures, microfinancing, etc.).

*(Lunch break)*

**Session 8: Plenary on perspectives and experiences in developing NBS for climate**

This session will highlight regional, national, subnational and local-level experiences in developing projects and meeting conditions and eligibility requirements of climate funds. It would bring in perspectives from project developers in developing countries as well as national and international financial institutions.

**Session 9: Breakout group discussion**

The aim of the break-out session is to share best practices and practical advices for developing NBS projects and building readiness for implementation and accessing finance. A short presentation related to the topic of each group (i.e. on project design, project implementation and scaling-up projects) would inform the group discussions:

Group (1): How to get started – capacity-building and project preparation support for NBS for climate change;

Group (2): How to get the finance flowing –improving readiness of a country or an entity to access and disburse climate finance, with a focus on community-prioritised investments, standards and requirements and safeguards;

Group (3): How to scale-up NBS projects for climate – developing project pipelines with climate finance, creating policy platforms and communities of practice to harness the potential of NBS climate projects.

**Session 10: Breakout group discussion on key outcomes and way forward**

The breakout groups will reflect on the actions at the international, national, sub-national that may be pursued by actors/institutions taking part in the Forum to address the barriers and mobilize and access finance for NBS projects. The discussions on the way forward would include:

1. Key take-aways and high-level recommendations for the COP;
2. Suggestions for the Financial Mechanism, including its operating entities and bilateral, regional and other multilateral channels of climate finance;
3. Platforms for exchange of information to promote linkages, list of resources for NBS and capacity building tools.

**Session 11: Closing plenary – outcomes of the Forum**

The plenary session will synthesize the outcomes of the Forum and actions that can be undertaken by different actors taking part in the Forum.

**-Day 3-**

Day 2 may be followed by a field trip where participants visit an existing NBS activity, meet the developers and share experiences. Day 3 activities are dependent on the venue. TBC.

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