



**Standing Committee on Finance**  
**Twenty-third meeting of the Standing Committee on Finance**  
**Virtual, 16-17 December 2020**

14 December 2020

**Background paper on the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement**

*Expected actions by the Standing Committee on Finance*

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

- a) Provide guidance on the second order draft of the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement;
- b) Provide additional guidance for inter-sessional work in advance of the twenty-fourth meeting of the SCF.

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

1. The Committee may wish to consider the second order draft of the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement with a view to assess progress and provide further guidance for the development of the next iteration of the draft report in advance of the twenty-fourth meeting of the SCF.

**II. Background**

2. The COP, by decision 4/CP.24, paragraph 13, requested the SCF to prepare, every four years, a report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement, for consideration by COP 26 and CMA 3.

3. In paragraph 14 of the same decision, the COP also requested the SCF to collaborate, as appropriate, with the operating entities of the Financial Mechanism, the subsidiary and constituted bodies, multilateral and bilateral channels, and observer organizations.<sup>1</sup>

4. 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.<sup>2</sup>

5. COP 25 and CMA 2 further encouraged the SCF, in implementing its strategic outreach plan, to build on existing efforts to reach out to developing country Parties and relevant developing

<sup>1</sup> Decision 4/CP.24, para 14.

<sup>2</sup> Decision 11/CP.25, para 9 and decision 5/CMA.2, para 9.

country stakeholders when generating data and information for the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement.<sup>3</sup>

6. At its 22<sup>nd</sup> meeting, the SCF considered the draft of the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement and agreed on the revised indicative timelines and outreach activities,<sup>4</sup> including a proposed publication of the technical report in mid-2021.

7. The SCF, at its 22<sup>nd</sup> meeting, also agreed to undertake further work, including data collection and analysis, with a view to prepare the second-order draft of the report.

### **III. Progress on the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement**

8. Given the continuing special circumstance due to COVID, outreach activities are being organized in virtual format in 2020 (e.g. via regional webinars) with possibility of in-person technical experts meetings to be held in conjunction with SCF meetings in 2021, conditions permitting.

9. A series of three SCF informal outreach regional webinars were held on 17 September, 24 September, and 14 October 2020 for the following regions respectively: Africa and Eastern Europe, Latin America and the Caribbean, Asia and the Pacific with more than 230 active participants jointly.<sup>5</sup>

10. A call for evidence in relation to information and data for the preparation of the report was issued on 22 November 2019 and extended until 30 October 2020.<sup>6</sup> The UNFCCC secretariat has received in total 34 submissions from Parties and non-Party stakeholders, a summary of the received submissions is included in the annex. All responses to the call for evidence are available on the Repository of Information on the needs of developing country Parties,<sup>7</sup> complementing the earlier compilation of reports available in SCF/2019/20/5<sup>8</sup> as well as SCF/2019/21/7<sup>9</sup> and its accompanying background paper.<sup>10</sup>

11. The technical team, under the guidance of co-facilitators, have incorporated comments and suggestions made by SCF members at its 22<sup>nd</sup> meeting to advance the preparation of the second-order draft of the report.

12. In presenting the draft, the co-facilitators acknowledge the work the technical team has undertaken thus far, including the focussed work to compile data from the available official reports from developing countries. The co-facilitators put forward the draft as a work-in-progress version, with further work to be completed, for example, related to terminology, presentation and format. Tables and figures provide a snapshot of the analysis to date and illustrate how data in the future might be presented. Considering the guidance from SCF members at SCF 23, the co-facilitators have suggested that future iterations of the report could clarify terminology used for characterizing needs (e.g. geographic, thematic, sectoral, Means of Implementation), develop information on how uncertainties affect the determination of needs, and include more in depth information on data and methodologies used in regional and global reports. The co-facilitators have suggested that information compiled to date may indicate that data is not evenly distributed or standardized.

<sup>3</sup> Decision 11/CP.25, para 12 and decision 5/CMA.2, para 12.

<sup>4</sup> Available at [https://unfccc.int/sites/default/files/resource/BN\\_SCF22-NDR.pdf](https://unfccc.int/sites/default/files/resource/BN_SCF22-NDR.pdf).

<sup>5</sup> Available at <https://unfccc.int/topics/climate-finance/workstreams/needs-report>.

<sup>6</sup> Available at <http://unfccc.int/6877.php>.

<sup>7</sup> Available at <https://unfccc.int/topics/climate-finance/workstreams/needs-report/repository-of-information-on-the-needs-of-developing-country-parties>.

<sup>8</sup> Available at [https://unfccc.int/sites/default/files/resource/BP5\\_SCF20\\_Needs.pdf](https://unfccc.int/sites/default/files/resource/BP5_SCF20_Needs.pdf).

<sup>9</sup> Available at [https://unfccc.int/sites/default/files/resource/BN7\\_SCF\\_Needs%20Report\\_Final.pdf](https://unfccc.int/sites/default/files/resource/BN7_SCF_Needs%20Report_Final.pdf).

<sup>10</sup> Available at <https://unfccc.int/sites/default/files/resource/BPonSourcesOfInformationAndMethodologies.pdf>.