



Standing Committee on Finance

08 March 2024

Thirty-third meeting of the Standing Committee on Finance
19–20 March 2024
Bonn, Germany

**Background paper on the sixth biennial assessment and
overview of climate finance flows**

Expected actions by the Standing Committee on Finance

The Standing Committee on Finance will be invited to:

- a) Consider and provide guidance in preparing the zero-order draft of the sixth biennial assessment and overview of climate finance flows (BA);
- b) Discuss the outreach and stakeholder engagement activities to prepare the sixth BA and to provide guidance on the work to be conducted intersessionally. Background paper on the sixth biennial assessment and overview of climate finance flows.

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

1. Guidance on the work-in-progress of the sixth BA: The SCF may wish to consider the work conducted on the sixth BA as contained in the annex based on the general outline of the technical report agreed at SCF 31 and endorsed at the twenty-eight session of the Conference of the Parties (COP 28).¹
2. The SCF may also wish to reflect on the outreach and stakeholder engagement activities to prepare the sixth BA including:
 - (a) Launching the call for evidence with a deadline of 30 June 2024;
 - (b) Circulating a notification to Parties on the availability of preliminary information and data on climate finance for 2021–2022 from forthcoming first biennial transparency reports;
 - (c) Preparing a stakeholder engagement webinar on climate finance topics in conjunction with the preparations for the second report on progress on the goal of mobilizing jointly USD 100 billion per year and the report on common practices on climate finance definitions, accounting methods and reporting practices;
 - (d) Conducting a technical expert meeting in conjunction with SCF 34 on climate finance-related topics across the SCF's work in 2024
3. The SCF may also wish to consider any other guidance for inter-sessional work in advance of the thirty-fourth meeting of the SCF.

¹ Available at https://unfccc.int/sites/default/files/resource/cp2023_L02_cma2023_L08E.pdf#page=19.

II. Background

4. COP 17 decided that the SCF shall assist the COP in exercising its functions with respect to the Financial Mechanism of the Convention in terms of measurement, reporting and verification of support provided to developing countries, inter alia, through preparing 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 (BR) and biennial update reports (BURs). 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, and 4/CP.24, paragraphs 4 and 5.
5. COP 24 requested the SCF to map, every four years, as part of its BAs, the available information relevant to Article 2, paragraph 1(c), of the Paris Agreement, including its reference to Article 9 thereof. COP 26 welcomed the fourth BA of the SCF, in particular its summary, and endorsed its key findings. It also welcomed the mapping of information relevant to Article 2, paragraph 1(c), of the Paris Agreement in the fourth BA and took note of its key findings.
6. COP 27 welcomed the fifth BA of the SCF, its summary, and took note of the recommendations. It also acknowledged the improvement in the quality, transparency and granularity of information in the fifth BA while recognizing data limitations persist, particularly in relation to private climate finance, including private finance mobilized by developed country Parties through bilateral and multilateral channels, and finance in sectors other than energy and transport, and requested further work in this regard in the sixth BA, including in relation to data by region, private finance mobilized from public interventions and financing arrangements relevant to averting, minimizing and addressing loss and damage.
7. COP 28 endorsed the general outlines of the technical report of the sixth Biennial Assessment and Overview of Climate Finance Flows and requested the SCF to consider updating, in the context of its sixth Biennial Assessment and Overview of Climate Finance Flows, its operational definition of climate finance, building on the non-exhaustive list of potential options identified in paragraph 44(a–c) of the executive summary² of the report on clustering types of climate finance definitions in use.³
8. COP 28 also noted that the sixth Biennial Assessment and Overview of Climate Finance Flows will continue to consider the balance between mitigation and adaptation finance and public and private financial flows.⁴ CMA 5 requested the Standing Committee on Finance to include in its sixth Biennial Assessment and Overview of Climate Finance Flows information reported in biennial communications under Article 9, paragraph 5, of the Paris Agreement, as appropriate.⁵

III. Progress on the sixth biennial assessment and overview of climate finance flows

9. SCF 31 appointed Diann Black-Layne and Vicky Noens as cofacilitators of the sixth BA.
10. SCF 31 considered the outline of the sixth BA and agreed on the timeline and approach outlined in the draft workplan. In the same meeting, SCF also agreed to an updated general outline with a view to include it in the annual report of the SCF to COP 28 and CMA 5.

² Standing Committee on Finance. 2023. Report on clustering types of climate finance definitions in use. Bonn: UNFCCC. Available at <https://unfccc.int/SCF>.

³ Decision 5/CP.28 paragraph 6 and 8 ([Advance unedited version](#)).

⁴ Decision 5/CP.28, paragraph 9 ([Advance unedited version](#)).

⁵ Decision 9/CMA.5, paragraph 3 ([Advance unedited version](#)).

11. Technical work on drafting the sixth BA has progressed from the general outline endorsed by COP 28 to the development of a work-in-progress approach to the technical report.⁶ Key datapoints related to climate finance flows in 2022 are expected to be available in May/June in order to provide updated data on 2021/2022 flows for the respective sections in chapters 2 and 3 for the first-order draft of the sixth BA. The call for evidence was launched in early March as well as notification circulated to Parties on gathering preliminary data for the years 2021–2022.

⁶ The work-in-progress approach precedes the zero-order draft of the technical report.